FINANCIAL TIMES
PUBLISHED IN LONDON AND FRANKFURT
No. 27,940 Monday August 13 1979
CONTINENTAL SELLING PRICES: AUSTRIA Sch. 15; BELGIUM Fr 25; DENMARK Kr 4.25; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 700; NETHERLANDS Fl 2.0; NORWAY Kr 4.25; PORTUGAL Esc 35; SPAIN Pta 60; SWEDEN Kr 3.75; SWITZERLAND Fr 2.0; EIRE 20p

NEWS SUMMARY

GENERAL

Burst dam kills 1,000

At least 1,000 people were killed when a dam broke and flooded a town in Gujurat State, western India.

Within minutes about 60 per cent of the town of Morvi was submerged under 13 feet of water. The earthwork wall of the Machchu dam was breached by the pressure of water running 15 feet above normal levels after two weeks of monsoon rains.

People living in some low-lying areas were evacuated in time. Many others were swept away or trapped by the rushing waters.

Strong man goes

Sudan's Vice-President and army strong man Abu Gasim has been stripped of all political posts by President Jaafar Nimeiri. The move is seen as heralding a restructuring of the country's political framework. Page 2

Breakaway races

Forty of the world's leading racing motor cyclists, including Britain's Barry Sheene, are to set up a new series—provisionally called World Series Racing—for prizes totalling $100,000 a meeting. They will withdraw from existing Grand Prix events, whose organisational standards they criticise.

No Israel poll

Israeli Prime Minister Menahem Begin ruled out the possibility of early elections but hinted he might reshuffle his divided Cabinet. Before making any changes he will consult each Minister individually.

Alan Jones wins

Austrian Grand Prix was won by Australian Alan Jones in a Saudia-Williams with Canadian Gilles Villeneuve (Ferrari) second. It was Jones' second successive Grand Prix win but South African Jody Scheckter still heads the world championship table.

ITV stays off

Independent television screens are likely to stay blacked out until Wednesday at the earliest. The three unions involved in the dispute will meet employers' representatives at the Advisory, Conciliation and Arbitration Service tomorrow. Page 4

Meat poisoned

Deadly potassium cyanide was injected into meat in a supermarket at Aalborg, Denmark. Police used radio broadcasts and loudspeaker appeals in an effort to reach scores of people who bought the meat.

'Troops out'

Nearly 10,000 people marched through central London to call for the withdrawal of British troops from Northern Ireland. About half that number joined a Belfast "troops out" march organised by the Provisional Sinn Fein. Page 4

Drink law studied

The Government is considering tightening up drink-driving laws to reduce the growing number of accidents involving motorists who have been drinking. Back Page

Briefly . . .

Gas board officials are investigating an explosion which hurled an invalid in his bed through the ceiling and wrecked his house in Fartown, Huddersfield.

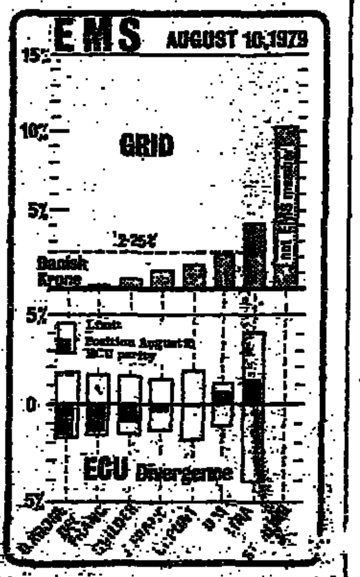
Pop festival in Knebworth Park, Herts., ended with 27 arrests, but police praised the conduct of most of the 80,000 fans.

Police are hunting the thief who stole an ambulance while its crew were attending an emergency in South London.

BUSINESS

Moves to support Danish krone

● DANISH krone continued as the weakest member of the European Monetary System last week and the Danish central bank intervened in the foreign exchange market in an effort to support its currency. This proved necessary as the krone fell to its lowest permitted level against the ECU and was calculated at one time to have breached its warning limit. This limit represents a rise or fall of 75 per cent of the maximum permitted divergence and activates an unwritten agreement whereby central banks intervene in currency markets or take legislative actions to redress the balance. Elsewhere, the Italian lira remained the most improved currency, followed by the D-mark.



The chart shows the two constraints on exchange rates within the European Monetary System; the "grid" of cross rates from which no currency (except the lira) may move more than 2¼ per cent; and the varying degrees by which each currency may diverge from its "central rate" against the European Currency Unit (ECU) itself a basket of European currencies. The "grid" is always shown by reference to the weakest currency in the system, which is the base line in the chart.

● GOVERNMENT plans to expand its geological research programme into a nationwide search for sites for burying radioactive waste have worried groups opposed to nuclear power who fear their resources will not cover contesting the 11 areas for new boreholes. Back Page

● OBJECTORS to Shell and Esso's plan to build a £500m gas processing complex at Mossmorran, Fife, are to take legal action to try to overturn the planning consent given by the Government. Back Page

● JAPAN'S current balance of payments is expected to move into substantial deficit over the next 12 months after many years of large surpluses, according to the latest review by the OECD. Back Page

● SOCIETY of Civil and Public Servants and the Civil and Public Services Association have accused the Government of complacency over delays in child benefit. Page 4

● BORG-WARNER'S UK subsidiary reports "spectacular test results" with a continuously variable transmission (cvt) it has been developing with Van Doorne of Holland and Fiat of Italy. Page 4

● BOOTS, the chemists group, is to provide shoppers with credit cards and other credit facilities, including a personal loan scheme for expensive purchases. The schemes will be operated by the National Westminster Bank. Page 4

● L. M. ERICSSON of Sweden and N.V. Philips of the Netherlands have won a £800m ($357m) order from the Saudi Arabian Ministry of Posts and Telecommunications Page 3

CONTENTS

Britain may ask Bishop Muzorewa not to bring Smith

BY ELINOR GOODMAN

The British Government is expected to let it be known discreetly in Salisbury this week that Mr. Ian Smith, the former Rhodesian Prime Minister, would not be welcome at next month's constitutional conference in London.

Publicly, the Government will not stipulate who should attend the talks from Salisbury. But in private British officials are expected to make it clear that Mr. Smith's presence would be regarded as unhelpful.

The invitations, along with the draft constitutional changes, will not be sent out until later this week. But already at the weekend, those leaders expecting to be invited were taking up negotiating positions.

In Salisbury, Bishop Abel Muzorewa, the Prime Minister of Zimbabwe-Rhodesia, said that Nigeria's attendance would be "absolutely unacceptable." The Bishop has up to now insisted that only the British Government, his own Government and various nationalist groups, including the two wings of the Patriotic Front, be invited to atend the talks. His Cabinet will meet tomorrow to consider its response.

The omission of any mention of the "frontline" states seems to indicate some willingness to retreat from a hard position, though the signs in London were that in any case only representatives of the British Government and the various parties directly involved in Rhodesia would actually be asked to sit round the conference table. The rest would be present as observers.

Mr. Joshua Nkomo, joint leader of the Patriotic Front, indicated in Cairo that he would attend the London conference.

The response from Mr. Robert Mugabe, the other leader of the Patritoic Front, may depend on the attitude of President Samora Machel of Mozambique, according to Commonwealth diplomats. If he supports the Commonwealth line, Mr. Mugabe, whose forces are based in Mozambique, would be forced to do the same.

In London, Ministers are only too well aware of what a very delicate balancing act the conference will have to be if it is to produce an agreement which would result in an internationally acceptable solution to the Rhodesia situation. For this reason the Government has not yet officially spelt out who precisely is to be invited.

All it has officially said is that all the parties concerned would be sent invitations this week. The message seemed to be that no ban would be put on the composition of any delegation. Bishop Muzorewa would be free to include Mr. Smith in his team if he wanted to.

Nevertheless, it has been made clear to Bishop Muzorewa before that British Ministers believe Mr. Smith will eventually have to leave the Salisbury Government if it is to gain international recognition.

Ideally some Ministers might like Mr. Smith to step down before the constituional conference, but they do not believe he will—even though, in their view, it might be the one thing which would make it impossible for the leaders of the Patriotic Front to refuse to come to London.

Work has already started on drafting the proposed new constitution, and it is hoped that a draft will be ready to send out with the invitations this week. Behind-the-scenes diplomacy will then be used to try to remove the many obstacles which Ministers believe could prevent an agreement.

Mr. Derek Day, the senior Foreign Office official who has been the Government's link man in Salisbury, left for Rhodesia at the weekend and is expected to begin talks immediately. As well as seeing Bishop Muzorewa, the British Government may well try to have informal talks with the leaders of the Patriotic Front.

Ministers are by no means confident that Mr. Nkomo and Mr. Mugabe will attend the talks. The Government is ready to let the Patriotic Front know the absence of its leaders will not invalidate any agreement reached, even in the lifting of sanctions.

Barclays may give true profits

By Michael Lafferty, Banking Correspondent

BARCLAYS BANK may have to reveal more information about its true profits and bad debt provisions because of action by the U.S. Securities and Exchange Commission.

The commission is demanding that all foreign banks raising funds through the U.S. commercial paper market must agree to provide U.S. investors with accounting and other financial information which is "at least as comprehensive" as that customarily provided by U.S. banks using the market.

Barclays is one of about a dozen foreign banks which have recently sought SEC permission to issue commercial paper. Last week the commission gave permission to seven applicants to raise short-term funds in this way. The Barclays application comes in a second batch which is now receiving SEC consideration.

The significance of the SEC move lies in the fact that the major British banks are still suspected of having excessive provisions for bad debts which are likely to distort the true annual profit picture. The practice, not officially permitted by the Companies Act, is thought to have its origins in the period before 1970 when the clearers were legally permitted to have secret reserves.

Last year the big four London banks moved towards publishing more useful accounts by revealing the aggregate levels of their specific and general provisions for bad debts. But the move was not considered a success because shareholders were not able to determine the level of the general provision or movements therein.

Clearing bank audit partners admit privately that general provisions as established by the banks are wholly or substantially part of shareholders' funds. One auditor has forecast that the British clearers will gradually reduce the levels of their general provisions to a level more in line with the practice in the U.S.

An SEC official said that the agency is using the Investment Company Act 1940 "as a handle" to achieve some supervision over the foreign banks.

The official suggested that banks making issues may get over the problem of their own account by providing supplementary "footnote" data for U.S. purposes. If any additional information were published in this way Barclays could almost certainly be obliged by London Stock Exchange rules to release it in the UK as well.

Left and Right clash in Iran street battles

BY ANDREW WHITLEY IN TEHRAN

FIERCE STREET fighting btween Left and Right-wingers erupted in the centre of Tehran yesterday even, in the city's worst clashes since the revolution that deposed the Shah.

Tens of thousands of demonstrators demanded freedom of the Press and an end to repression. They were attacked by gangs of pro-Khomeini supporters who hurled rocks and *charged into the procession* with their sticks.

Many were injured as the marchers, including a significant number of ordinary workers and veiled women, fought back. Outside the Prime Minister's office revolutionary guards used tear gas and *fired into the air in a vain* attempt to break up the running battles.

Called by the Left-wing National Democratic Front the demonstration was joined by thousands of middle class Iranians frustrated by growing authoritarianism and intolerance. Support also came from the more disciplined cadres of the Marxist guerrillas, the Fedayin-e-Khalq. Chants of "freedom is like the air we breath," interspersed the repeated shouts of "death to facists."

Similar previous demonstrations have been broken up by the extreme right wing and Hezbullahis, or "Party of God" zealots. But this time the support of the Fedayin members tipped the balance in the other direction.

It was the capital's most militant show so far by Iranians opposed to the present policies of the Government and the Revolutionary Council. It is likely to pose a considerable problem for Mr. Mehdi Bazargan, the Prime Minister.

A statement from the NDF warned "freedom lovers" that if they were frightened away from yesterday's march, this may be the last time that you will have the opportunity to make a widespread protest against strangulation and the supression of freedom."

Earlier, more restrictive regulations governing the domestci Press were announced. Dr. Nasser Minachi, the Minister of National Guidance, said: "The Press is free until is crosses the dividing line between freedom and treason."

The code differs little rfom a widely criticised draft released for public comment two months ago. Dr. Minachi promised then that it would be rewritten. *But pressure from* hardline clergy to curb Left-wing criticism appears to have resulted in the retention of the controls.

At a Press conference in Tehran, Dr. Minachi said the Press had been given ample opportunity to reform itself in the last six months. But "irresponsible reporting" and "abuses of freedom" in many cases had left the Government no choice.

A senior Ministry official was reported in the local Press yesterday as saying that nine Persian language publications, including two well-known Liberal weeklies—Tehran Mossavar and Omid-e-Iran, were being closed because they contravened the key Article 2 of the new code.

The article bars journalists associated with the former regime from acting as publishers. Others excluded are all senior Government officials and military men in officed uring the last 15 years of the Shah's reign.

A seven-man council of prominent individuals, including a Qom theologian and representatives of the publishers and journalists, will be formed to grant publication licences.

Penalties of up to three years' imprisonment for offences such as endangering national security and subverting the armed forces are laid down. Alleged insults against top clergymen, including Ayatollah Khomeini, will not lead to jail but to the suspension of hte offending publication for up to six months.

○ Supporters of Ayatolloh Khomeini have won Tehran's 10 seats on the council which will write a new constitution for the country, according to final results.

Guards drive out militia

TEHRAN — Revolutionary Guards acting under Iran Government orders moved into the U.S. Embassy yesterday. They drove out an independent militia band which had been guarding the building for the past six months.

Shooting broke out, but Iranian officials said all the shots were fired into the air and no one was hurt.

A U.S. spokesman said no Americans were mistreated or taken hostage.

A small force of guards from Tehran's central revolutionary committee remained at the Embassy after the clash, but a committee spokesman said it would soon be withdrawn. **Reuter**

Index of take-home pay likely later this week

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

A NEW tax and price index of real take-home pay is likely to be published by the Government later this week, in an attempt to counteract the announcement of a record monthly increase in retail prices, probably of about 4 per cent.

The timing of publication and detailed presentation still have to be approved by Mrs. Margaret Thatcher, but the new index is likely to appear on Friday alongside the existing retail prices index.

The new indicator is intended to show the take-home pay of the average family after taking account of income tax cuts and of higher prices due to the rise in indirect taxes.

The existing retail prices index reflects only indirect taxes such as value-added tax. It is not affected by direct taxes.

Sir Geoffrey Howe, Chancellor, has argued since his Budget on June 12 that the switch from direct to indirect taxes will mean that most households will be better off than before the changes during the rest of the financial year. He has claimed that about 5 per cent of the possible retail price increases has already been compensated by the income tax cuts.

The hope in Whitehall is that the new indicator will help to moderate wage claims in the coming pay round by showing a broader picture than the retail prices index.

But Sir Geoffrey's claims have already been contested by trade union and Labour Party leaders. They have argued that any new index would have no effect on forthcoming pay negotiations.

There is also some scepticism among Government supporters about the effectiveness of the new index in this respect.

Leading City analysts have estimated the increase in the retail prices index last month at between 3½ and 5 per cent. The Budget is officially estimated to have increased prices by 4 per cent, mostly in July, and the recent underlying monthly increase has been between ¾ and 1½ per cent.

However, some of the impact of the increase in VAT may not have been passed on in higher prices yet because of price-cutting during the summer sales.

But the increase in the prices index in July 1978 was only

Continued on Back Page

Chrysler aid plea by governors

BY JOHN WYLES IN NEW YORK

IN THE battle over Federal aid for the struggling Chrysler Corporation of the U.S., governors of six large industrial states have sent a bipartisan appeal to President Jimmy Carter.

The possibility of supplementary aid from individual states is also to be explored by Governor William Milliken of Michigan whose state has 75,000 Chrysler employees living there.

At Governor Milliken's initiative he and his fellow Democrat, Governor Hugh Carey of New York, have sent a joint appeal to the President with the Republican governors of Delaware, Missouri, Ohio and Illinois. Large numbers of Chrysler workers live in all these states.

They argued that the Government is obliged to help find a solution to Chrysler's difficulties because they stem partly from the need to find investment for changes made necessary by Federal laws on fuel economy and emission.

But a sharply different view is emerging from two Congressmen who will play a key role in the scrutiny of any Government proposals. Senator William Proxmire, chairman of the Senate banking committee, is making known his strong dislike of a Federal solution for Chrysler because of its possible impact on other companies and the economy.

Congressman Henry Reuss, chairman of the House banking committee, has issued a statement with heavy emphasis on an invitation to other U.S. or foreign companies to acquire Chrysler plants "to make needed products like mass transit and rail equipment vehicles."

In remarks released at the weekend, President Carter focused the Administration's demand for sacrifices from all concerned at Chrysler with the suggestion that the company's managment forgo scheduled salary increases and bonuses so as to save "tens of millions of dollars."

Chrysler, however, did not pay any normal management bonuses last year and has no known plans to pay any this year. Salary increases for executives are also very unlikely in view of the company's request that its manual workers accept a two-year freeze.

But the fact of Chrysler being seen to help itself will be extremely important to the outcome of the Administration's apparently reluctant move towards granting the company possibly up to $750m of loan guarantees.

Ceausescu rebuke for Russia

BY LESLIE COLITT IN BERLIN AND PAUL LENDVAI IN VIENNA

PRESIDENT Nicolae Ceausescu of Romania has publicly told the Soviet Union that a "limit has been reached" in Romania's military expenditures for the Warsaw Pact and that "military spending beyond this limit means insecurity."

This is the sharpest criticism of Soviet policy by President Ceausescu since last December's Warsaw Pact meeting in Moscow, when he refused to give in to a demand by President Leonid Brezhnev of the Soviet Union that Romania raise its military budget in line with the other Warsaw Pact countries.

Mr. Ceausescu subsequently announced cuts in Romania's arms spending and instead increased social expenditure. The military budget controversy between the two countries has been boiling under the surface ever since.

Speaking to thousands of Romanian miners at the weekend, the President called for a worldwide 10 to 15 per cent cut in military expenditures by 1985.

Moscow must clearly fear that Romanian opposition to larger military budgets could spread to other East European countries. Their economies have been severely affected by the price rises for Western and Soviet oil and raw materials and this could develop into demands that military spending should actually be lowered.

Mr. Ceausescu, in his speech, aimed his remarks at the Soviet Union and at the Romanian consumer, who is being told to drastically cut petrol consumption — even though there is little chance of his getting delivery of a car.

The breakdown of talks with Hungary, East Germany and Poland about a waiving of the fuel curbs on East European motorists has meant that since Saturday, motorists from the Comecon countries have no longer been able to enter Romania. A compromise with Czechoslovakia provides for petrol for Czchoslovak motorists until August 31 but here too the Prague Government has warned citizens not to travel to Romania or through Romania to Bulgaria on their own.

OVERSEAS NEWS

Cossiga given unenthusiastic confidence vote

BY RUPERT CORNWELL IN ROME

THE THREE-PARTY coalition of Sig. Francesco Cossiga, which has promised to concentrate on economic issues, yesterday won its vote of confidence in Parliament, thus formally ending the country's 193-day Government crisis.

The margin in the Assembly was 45 votes (287-242), thanks to the abstention of the Socialists who hold the balance of power.

The debate preceding the vote left no doubt, however, about the lack of enthusiasm for Sig Cossiga's Government, made up of his own Christian Democrats, the Social Democrats, and Liberals. It is designed to last only as long as is necessary to find a more durable understanding between the parties.

The confusion of Italy's longest post-war crisis has coincided with publication of the latest trade figures. These show that for the first six months of 1979 imports exceeded exports by 1,335bn lire (£735m) against a deficit of only L172bn in the same period last year.

For June alone, however, the out-turn was a surplus of L15bn, with exports of L5,234bn, narrowly topping imports of L5,219bn. It also compares with a deficit of L702bn in May.

Inevitably more costly oil products lie behind the overall deterioration since last year. But most strikingly, exports of clothing and textiles in the first six months rose 34 per cent to L3,375bn to cover much of the oil deficit in that period of L4,166bn.

France's clampdown last week on knitwear imports reflects the success of Italian exporters in this sector. The Italian industry has criticised the French measures as "unworthy" and a breach of Common Market free trade principle.

President Nimairi

Nimairi dismisses party chief

By Alan Darby in Khartoum

PRESIDENT JAAFAR NIMAIRI of Sudan has stripped his former Vice-President and army strong man, Major Abul Gasim Mohammad Ibrahim, of all political posts. The dismissal is seen as heralding major changes in the country's political framework.

Major Abul Gasim, one of the officers who helped President Nimairi into power in May 1969, has been a staunch supporter of Sudan's only political organisation, the Sudanese Socialist Union, which was created by President Nimairi to replace the multi-party system of the 1960s. President Nimairi made a scathing attack on the party leadership last week.

Until yesterday Major Abul Gasim held the key post of party secretary-general. His removal from the political scene at a time of economic crisis and a report in the semi-government Press that President Nimairi is to make important announcements in a few days, have led to intense speculation in the capital, Khartoum.

The President is expected to make radical changes in the political set-up in an attempt to demonstrate that he is doing something to solve the country's economic problems.

The departure of Major Abul Gasim also clears the way for Nimairi to make good his promise of two years ago to let former opponents of the regime play a role in running the country.

Mr. Sadiq el-Mahdi, leader of the Umma Party, has remained largely on the sidelines since his return from exile last year but may now find a place in the Administration.

Chances recede for PLO links with Washington

BY DAVID BUCHAN IN WASHINGTON

THE CHANCES appeared to have dimmed yesterday for the establishment of links between the U.S. and the Palestine Liberation Organisation and for the involvement of Palestinians in the talks on autonomy for the West bank of the Jordan. Separate statements by President Carter and Mr. Yassir Arafat, the PLO leader, suggested that the two sides had reached an impasse.

Mr. Carter told a group of U.S. editors at the weekend that the U.S. stood by its commitment to Israel not to treat with the PLO until it recognised Israel's right to exist as enshrined in United Nations Resolution 242. The same promise was made privately last week to Israel, which has become increasingly nervous about a possible U.S. policy switch towards the PLO.

Mr. Arafat, in an interview in the Washington Star yesterday, said the PLO wanted to open above-board relations with the U.S. "as soon as possible." He did not rule out that his organisation might come to recognise Israel. "I'm not going to put my cards on the table," he said.

But on the key issue of a separate Palestinian state which Israel has refused that countenance, the gulf between the two leaders seems nearly as wide as ever. President Carter told his interviewers that he was against the creation of such a state, which would not be good for the Palestinians or their Arab neighbours.

The U.S. has said it will veto a Kuwaiti resolution, likely to come up for a vote in the Security Council later this month, because, as presently drafted, it calls for the creation of a Palestinian state.

Mr. Arafat told the Washington Star: "Our goal and our aim is to establish our State and our right to return to our homeland." The PLO leader strongly implied that, without such a condition, he would not accept any revision of Resolution 242.

Thus, U.S. efforts to engineer, through the United Nations, a formula that could bring Palestinians into discussions about their self-government on the West Bank and Gaza Strip while meeting Israel's fundamental concerns, seem to have been frustrated for the moment.

But further attempts by the U.S. to find a solution will be made when Mr. Robert Strauss, Mr. Carter's trouble-shooter on the autonomy talks, returns to the Middle East later this week. The United Nations debate on possible amendments to Resolution 242 is due to open in 10 days' time.

David Lennon reports from Tel Aviv: Mr. Menahem Begin, the Israeli Prime Minister, ruled out the possibility of early elections yesterday but hinted that he might reshuffle his Cabinet. Mr. Begin called on Ministers to stop public bickering and to turn over a new page in their personal relations.

Mr. Moshe Dayan, the Foreign Minister, angered his colleagues last week when he accused the Cabinet of incompetence in domestic affairs and said the Ministers were destroying the Government from within.

The Cabinet decided yesterday to send Professor Yigael Yadin, Deputy Prime Minister, to the U.S. this week. He will meet the Press and Jewish leaders in the U.S. in an attempt to win their support against what Israel sees as a pro-Arab shift in Washington policy.

German opinion poll led by coalition

BY ROGER BOYES IN BONN

THE RULING Social Democrat-Free Democrat coalition would win by a clear 4 per cent margin if a general election were held in West Germany this month, according to a poll carried out by the Allensbach Institute.

The poll is the first to be held since Herr Franz Josef Strauss was chosen as opposition rival to Chancellor Helmut Schmidt in next year's election. It shows that the Christian Democratic Union and Christian Social Union bloc remains the strongest with 46.1 per cent support. But the Socialists received 43 per cent backing and their coalition partners received 7.2 per cent. Together the two parties would thus have a 4.1 per cent majority over the CDU-CSU.

The poll demonstrates that support for the opposition has more or less stabilised after plunging in the first half of June, apparently because of the wrangle between the two parties over who should be the official challenger to Herr Schmidt. But backing for the CDU-CSU is still less than between February and May and well below its 1976 election showing of 48.6 per cent.

The main beneficiaries from the nomination of Herr Strauss appear to be the Social Democrats who are now 3.1 per cent ahead of their standing in a poll held in the first half of May. The FDP has lost 0.5 per cent support since May.

The institute tends to play down the assumption that the Free Democrats would suffer at the next election because of a polarised campaign between Herr Schmidt and Herr Strauss. But the figures do indicate that fringe parties, including the Ecologists, could eat into the Free Democrats' votes. According to the latest poll, 3.7 per cent of the 2,000-strong sample would be prepared to vote for fringe parties compared to 0.9 per cent in the 1976 elections.

Rabat take-over in W. Sahara

BY OUR FOREIGN STAFF

MOROCCO VIRTUALLY carried out its threat to take over the Tiris el-Gharbia, the Mauritanian administered sector of Western Sahara, when King Hassan sent a Government delegation to Dakhla, the only town in the area, at the weekend before Mauritania had effected its planned withdrawal.

Mr. Driss Basri, the Moroccan Interior Minister and leader of the delegation, refused to confirm that his presence meant a de facto or de jure takeover.

He said however that Morocco would take over the administration of the area as soon as Mauritania pulled out. When the Mauritanian Premier, Lt. Colonel Mohammed Haidalla, visited Rabat on Friday he declined to say when Mauritania would withdraw.

Journalists accompanying the delegation were left in no doubt however as to the reality of the situation, that Morocco has taken over the area and intends to hold it to prevent the Algerian-backed Polisario Front from moving in.

Under an agreement signed in Algiers with the Polisario last week Mauritania renounced all claims to the Tiris el-Gharbia and said it planned to withdraw from the area.

While Mr. Basri, was assuring the Dakhla population Morocco would protect them against all aggression, a fierce battle was raging between Moroccan forces and Polisario guerrillas.

Moroccan officials said there were heavy casualties in the battle which lasted six hours at the tiny oasis of Bir Anzaren, 46 miles east of Dakhla in the Western Sahara controlled by Morocco. Heavily-armed Polisario units are reported elsewhere in the Tiris el-Gharbia.

The Moroccan take-over of Dakhla on the coast and the rest of the Tiris el-Gharbia is facilitated by the presence of 1,500 Moroccan troops who have been stationed in Dakhla for about two years under a mutual defence pact signed by Rabat and Nouakchott.

During the delegation's visit hundreds of Moroccan soldiers, some carying arms, walked the streets of the town while the Mauritanian army was confined to barracks. Moroccan warplanes were parked on the airfield.

Mr. Basri said he had been sent by the King in response to appeals from the local population which staged pro-Moroccan demonstrations in the town hall last week. The delegation was greeted by local people waving Moroccan flags and portraits of King Hassan while the Moroccan flag was raised on public buildings.

S. Africa cuts bank rate in bid to revive growth

BY QUENTIN PEEL IN JOHANNESBURG

THE South Africa Reserve Bank announced at the week-end that bank rate is to be reduced by 0.5 per cent, to 7 per cent, from today.

The move is yet another attempt to revive South Africa's faltering economic recovery, which has been badly set back by the latest fuel crisis. It has been taken in advance of an expected package of monetary measures which may be announced by Dr. Bob de Jongh, Governor of the Reserve Bank, with his annual statement on August 21.

The Reserve Bank clearly hopes that this latest reduction in bank rate will precipitate cuts in the commercial banks' overdraft rates, which have remained firm in spite of several small cuts in bank rate this year.

There are nevertheless widespread fears in South African industry that the Government will not be forthright enough in its plans to give further stimulation to the economy for fear of aggravating an inflation rate already running at 13.5 per cent per annum.

Nicaragua aid discussed by U.S. and Andean pact

BY SARITA KENDALL IN QUITO

MR. CYRUS VANCE, U.S. Secretary of State, has agreed with the Andean Pact Foreign Ministers that North, Central and South American nations should work together in the reconstruction of Nicaragua's war-torn economy.

Meeting with the Andean Pact ministers in Quito after the inauguration on Friday of Ecuador's President Jaime Roldos, Mr. Vance is understood to have discussed the co-ordination of aid to Nicaragua, consultation among prospective donors and co-ordination with international lending agencies.

Sra. Violeta de Chamorro of the Nicaraguan Junta and the country's Foreign Minister also met the Secretary of State. Though both sides emphasised that the conversations were friendly, the Foreign Minister warned that the U.S. was seen as an enemy by Nicaraguans for its support of General Somoza. Another spokesman said Nicaragua would have to go to the socialist block for weapons if the U.S. refused to supply them.

The Nicaraguan delegation pointed out the country's desperate need for unconditional foreign aid and support. They pointed out that the disinterested support given by President Roldos had helped enormously by increasing confidence at an international level. In his inaugural speech to the Ecuadorean people, Senor Roldos promised that the links between the two countries would be strengthened with effective action and programmes. He said later that Nicaragua could rely on Ecuador's voice and vote.

Brazil Planning Minister resigns after criticism

BY DIANA SMITH IN RIO DE JANEIRO

President Joao Figueiredo of Brazil may turn away from the academic world to the business world of Sao Paolo to find a replacement as Planning Minister for Sr. Mario Simonsen who resigned at the end of last week.

Sr. Simonsen said in his letter of resignation that he had accepted his post as a "merely transitory contribution." At a Press conference he would not be drawn on claims that mounting criticism of his handling of inflation on purely monetarist lines had goaded him into resigning.

His office is reported to have been handed over temporarily to General Golbert da Silva, head of the President's civil household, until a successor is appointed.

There are indications the President will choose one of the young, more liberal businessmen who, since last year, have been pressing for less centralised government and more equable treatment of wage earners.

It appears that Sr. Simonsen has been upset by harsh criticism of his work made by Arena, the pro-Government party, and by growing differences of opinion with the more politically sensitive and less technocratic members of the cabinet, who have increasingly rejected his monetarist efforts to cool inflation. This now threatens to rise to 55 per cent this year.

Sr. Simonsen appears to have become isolated in his concept of the Brazilian economic model which rested on low wages and bureaucratic centralisation.

His letter of resignation said that he felt he had completed his "transitory" tasks of setting out the bases for the 1980 Government budget, reforming the monetary system by withdrawing the status of monetary authority from the Bank of Brazil and vesting this status solely in the Central Bank (an event which will occur in January, 1980), reforming the overnight market (for which a clearing house will be opened in October this year) and preparing the Government's third national development plan.

FINANCIAL TIMES published daily except Sundays and holidays. U.S. subscription rates $365.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing centres.

Ericsson and Philips win new Saudi telephone deal

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

L. M. ERICSSON of Sweden and N.V. Philips of the Netherlands have won a new $800m (£357m) order from the Saudi Arabian Ministry of Post and Telecommunications.

It enlarges the £1.7bn contract for the extension of the Saudi telephone system which they were awarded in January last year, despite tough competition from U.S. consortia headed by ITT and Western Electric. It was the largest single order in the history of the telecommunications industry.

The addition to the contract, amounting to 2.7bn Saudi rials, calls for more switching equipment and cables and associated civil works, according to the announcement from Ericsson.

Some of the exchanges included in the original contract are to be enlarged. That contract provided for the installation of 470,000 subscriber lines as well as the administration and maintenance of the system for five years.

The larger part of the new order is likely to benefit the South Korean construction company Dong Ah, which has been engaged by the Philips-Ericsson group to execute the civil works.

Ericsson would not state how large its share of the new order would be but it must represent a boost of at least $100m to its order book. The original contract brought Ericsson business worth some $450m.

The expanded order is expected to be completed within the three-year time schedule of the original contract. Ericsson and Philips have some 8,000 men in Saudi Arabia and work on the project is reported to be ahead of schedule.

Winning the contract in 1978 was regarded as a decisive breakthrough for the European companies in the field of computer-controlled telephone exchanges. It gave the final accolade to Ericsson's AXE stored programme control exchanges and represented the first major step outside the Netherlands for Philips' PRX computerised system.

● Mitsubishi, Kuk Dong of South Korea and the Saudi company Ibrahim Al-Rashid Al-Humaid have been awarded contracts worth 348.7m Saudi riyals to build the infrastructure of a diplomatic quarter in Riyadh, the Saudi Economic Survey said.

Work will start next month and the project's first stage is due to be completed in 1983. About 80 embassies will move there from Jeddah in about five years.

The survey said the quarter would occupy 5.8m square metres and would have about 7,000 homes as well as schools, mosques, fire stations, civil defence and other facilities.

Reuter

Turkey may buy Swedish nuclear power plant

ANKARA — ASEA-Atom of Sweden has been engaged in talks here with Turkish officials on a plan to build Turkey's first nuclear power plant at Akkuyu near the Mediterranean coast, Turkish industry sources said.

They said the negotiations, broken off several weeks ago, have now been reopened between ASEA-Atom and officials of the State-run Turkish Energy Authority.

The sources said the Turkish side was insisting on a 100 per cent guaranteed credit from the Swedish company for the full projected cost of the plant of $500m (£225m) at 1978 prices. ASEA-Atom has so far offered 85 per cent, they added.

The sources said the Swedish *company is still favoured by the* Turkish Energy Authority to finance the 600-MW plant but two other companies Impianti of Italy and Westinghouse of the U.S., *were still candidates.*

Reuter

Dow plant for France

Dow Chemical Europe is to *build a $4m plant to produce* multi-layered plastic film at its chemical complex in Drusenheim, France. Construction work will begin later this year and should be completed by mid-1981, writes our Energy Editor. The company said it saw plastic films as one of several speciality chemicals segments on which it was placing increasing emphasis in Europe.

S. Africa energy deal

Weserhuette, the West German *steel group, has won a DM 20m (£4.9m)* contract from the South African Oil and Gas company for the engineering and supply of coal liquefaction technology, Roger Boyes writes from Bonn. The order comprises two drum reclaimers, two stackers and a conveyor plant.

$80m Polish ship order

The Polish Steamship Company has placed an order worth some $80m for 12 8,300 dwt bulk carriers with Ebin Industria Naval and Estaleiro So, both Brazilian companies. The ships, due to be delivered in 1981, 1982 and 1983, will transport coal and other bulk cargo to and from Poland. All machinery and much of the ships' equipment will be manufactured in Poland. Other equipment will come from Salen and Wicander, the marine equipment subsidiary of Saleninvest.

Hotels for Angola

THREE contracts worth $210m *(£95m) have been signed* between Sisal, a private Brazilian building and consultancy company, and the Angolan National Directorate of Tourism and Hotels, Diana Smith writes from Brasilia.

More UK ties with Alberta urged

BY FRANK GRAY

THE LONDON Committee for Invisible Exports is anxious to see more British financial institutions become established in Alberta, the Western Canadian province where oil development has made it the country's most prosperous region.

Mr. William Clarke, the committee's director general, said at the weekend that this would enable British and European institutions to participate in the economic development of the province, and to give Alberta-based interests better access to European money markets through London.

Mr. Clarke, also a director of Lindsay's Bank, said the committee *was currently assessing* the business potential of Alberta, following a week-long visit to the province in June by 12 leading British businessmen.

Members of the mission, led by Lord Polwarth, former Governor of the Bank of Scotland, were drawn from the major clearing banks, merchant banks and brokerage houses.

During the group's stay in the province, it made separate presentations to both the government and private sectors on the City's role in international banking, insurance and other services.

The committee also proposed a job exchange programme between the two financial communities. Such an exchange would allow bankers, stockbrokers, investment advisers and Government financial officers from Alberta and London to acquire a first hand knowledge of each other's financial techniques.

Underlying the committee's interest was the immense wealth from the province's petroleum industry and oil extraction plants in the Athabasca tar sands of north-central Alberta.

This had helped give Alberta the highest standard of living in the country, with per capita income at more than C$8,000 (£3,000) per year, and unemployment, at 4.5 per cent, about half the national average. Alberta's population is about 2m, in a land mass some six times that of the UK.

Mr. Clark said that at least 12 foreign banks had established representative offices in the province in recent years. Among these were Barclays Bank, National Westminster Bank, Banque Nationale de Paris, the Swiss Bank Corporation, Schroders Bank and S. G. Warburg.

In addition, the Bank of Montreal, headquartered in Montreal but whose financial base is in Toronto, had announced the establishment of Western headquarters in Calgary.

"It is moves like these that give us the opinion that Alberta is fast evolving as the country's second most important banking centre, after Toronto and ahead of Montreal."

The council, in the meantime, was taking a close interest in the forthcoming debate on a revised Canadian Bank Act, which is expected to enable more foreign banks to operate as money-lending institutions in the Canadian market. The Act will be debated following the resumption of the Canadian Parliament in October.

W. Germany now cautious of Mideast contracts

BY ROGER BOYES IN BONN

THE COLLAPSE of the $6.9bn (£3.1bn) Kraftwerk Union deal with Iran for the construction of two nuclear power stations *has shaken the confidence of* other West German companies that have trading interests in Middle Eastern countries.

Several German concerns (the latest is Thyssenrheinstahl Technik which is helping to build a refinery in Isfahan) have been busily reviving their contacts with the new Government to try and salvage their long-term business relationship with Tehran.

The KWU deal, formally broken off this month, had been denounced as over-priced, and "anti-social" by Iranian nuclear officials—and the same threat hangs over other German contracts.

The immediate concern, of course, is to recover outstanding payments from the Iranians. This is not, however, the main issue, as a large slice of German involvement in Iran has been guaranteed by Hermes, the Government-backed credit insurance company. Hermes is currently guaranteeing DM 8bn (£1.95bn) worth of German money in Iran, including payments to the value of DM 840m which fall due this year.

Political risks

The principal question is rather: How should West German companies now evaluate the political and economic risks of Middle Eastern business?

Should German companies build a political risk component into their initial bids for long-term turnkey projects — and thus possibly price themselves out of the highly competitive Middle East market? Or should they continue to lean on the political risk insurance offered by Hermes—but with the premiums biting into margins?

The most seriously affected German sector in Iranian and Middle East trade is the construction industry. There are clear signs that contractors are re-thinking their approach to business in politically *volatile areas and that they* are coming up with various formulae.

Some construction companies for example are looking into the possibility of using private insurers to cover large-scale projects in the Middle East. While only Hermes can offer political risk insurance, private insurers can offer a more flexible solution to some typical Middle Eastern turnkey problems. By insuring separate stages of a project—with the cover ending when the stage is complete—premium payments can be kept within manageable limits.

The shift of focus to private insurers partly reflects frustration at the slowness at which long-mooted reforms are progressing through Hermes.

Hermes is examining the possibility of introducing a "protracted default" clause for short-term credits—at present, the company covers against default only in the case of insolvency. The company is also studying the idea of extending exchange rate cover to financing credits—until now Hermes has covered foreign exchange risks only for supplier credits.

However, four different Government departments — the Foreign, Economics, Finance and Development Ministries *have to approve the reforms* before Hermes can incorporate them. This has naturally led to delays.

A further delaying factor has been the wish to bring about a harmonisation of export credit policies through the EEC. There are many European differences—for example Britain covers about 33 per cent of its exports while Germany covers about 12 per cent—and this too has slowed down progress.

Rather than waiting for Hermes to extend its cover or running the commercial gauntlet with private insurance companies, many contractors have started to effect a tactical withdrawal from some Middle East markets.

For the German construction industry, a relative newcomer to the Middle East, this signals discontent with the political and financial uncertainties of long-term business in the region. After the building recession of 1974 many West German companies decided to branch out overseas — especially in oil-producing countries, which were the traditional preserve of British and U.S. concerns.

This paid off at the time: German technological quality and expertise were much in demand and the building companies could maintain their dividends despite the collapse of domestic business. Now, however, the picture is changing.

In the first place, demand for huge turnkey projects is slackening in the Middle East. In countries like Bahrain, Qatar, the UAE and Oman, public spending has reached a plateau and they seem to be content to digest the recently completed projects into their economic infra-structure. Meanwhile Egypt, Saudi Arabia and Yemen appear to want much simpler—and cheaper — structures than the Germans can economically supply.

West German construction companies can currently afford *to ease up slightly on overseas* trade because of a domestic surge in demand—a demand fuelled by high public works spending and more disposable income.

Bankruptcy

To companies like Phillip Holzmann, it makes sense to keep the ratio between domestic and overseas trade at a rough 50-50 balance, if only to avoid the distortions which led to the recent bankruptcy of the construction company, Beton und Monier Bau. The company overstretched itself overseas and experienced serious cash flow problems after stumbling against the bureaucracies of Third World countries.

But all the signs are that the German building boom will cool off next year—thus opening up the problem again of how to cope with the vulnerability of overseas projects. Interest rates have been rising and, as the oil crisis begins to percolate through the economy, the situation is beginning to look very similar to 1974, the worst year in the history of the building industry.

SHIPPING REPORT

Activity picks up in tanker market

BY LYNTON McLAIN

ACTIVITY IN the tanker trading market picked up towards the end of last week, with U.S. oil companies dominating trading, particularly in the Gulf.

Rates for very large crude carriers trading out of the Gulf, however, almost collapsed at one point as too many vessels remained surplus to requirements.

A 270,000 deadweight ton vessel was chartered at Worldscale 42.5 for a voyage from the Gulf to the west. Attempts *were* made by other charterers to repeat the rate at the end of the week, but there was little optimism and every likelihood that rates would fall.

Smaller vessels, however, trading from the Middle East still gained satisfactory rates, with a 56,000 dwt vessel getting Worldscale 215 for discharge in the east.

Rates from the Mediterranean were almost stable last week and the Caribbean and U.S. Atlantic coast trade was active.

Timecharter rates were reported to have moved up in most markets. Brokers in London said that "very substantial figures" were paid for 30,000 dwt vessels.

Phillips chartered a similar-size vessel for 12 months' timecharter for delivery in September at $13.5, a rate which would *have seemed "outrageous"* a few weeks ago, one London broker said.

There was also more active loading out of Britain, with more cargoes of North Sea oil bound for the U.S.

Tankers were used for carrying grain in July but to a lesser extent than in the previous month. John I. Jacobs and Co., charterers, said nine vessels, totalling 447,036 dwt were used for shipping grain.

This compared with 12 tankers totalling 408,570 dwt in June. Most shipments of grain were from the U.S. to Black Sea or Mediteranean ports.

World Economic Indicators

RETAIL PRICES

					% change over previous year	Index base year
	July '79	June '79	May '79	July '78		
W. Germany	152.8	151.6	150.8	145.9	+ 4.7	1970=100
	June '79	May '79	April '79	June '78		
Holland	124.9	124.9	124.9	119.9	+ 4.2	1975=100
UK	219.6	215.9	214.2	197.2	+11.4	1974=100
U.S.	216.6	214.1	211.5	195.3	+10.9	1967=100
France	219.2	217.4	215.1	198.9	+10.2	1970=100
	May '79	April '79	March '79	May '78		
Japan	127.0	125.7	124.0	123.2	+ 3.1	1975=100
Italy	150.4	148.5	146.1	131.3	+14.5	1976=100
Belgium	132.0	131.7	131.4	127.0	+ 3.9	1976=100

No early cure for holiday air delays

BY ARTHUR SANDLES

AIR TRAFFIC DELAYS affecting thousands of European holidaymakers this motnh look like being a regular feature of summer travel for the next few years.

The resort areas of the Mediterranean basin simply cannot handle the air traffic load. Although the Association of British Travel Agents has been involved in talks aimed at easing the problem on both the UK and southern Europe, the basic cause of the difficulties is a lack of sophisticated equipment on the sunshine air routes.

"It is one big bottleneck," says Mr. Roger Davies, managing director of Thomson Holidays. "Anyone who can travel mid-week ought to do so."

Northern airports have air traffic control equipment geared to year-round business traffic and have elaborate facilities capable of handling thousands of flights a day. In July and August a high proportion of these flights are destined for holiday areas—areas which in the winter have only a few flights a day and can only handle three or four an hour at peak times.

In most cases it is just a question of money—whether to instal millions of pounds worth of radar and other facilities for ten week-ends a year.

The problem is rapidly worsened the moment any country in Europe has a dispute which causes delays at its own airports. The past two or three years have seen several of these.

Delays of two or three hours are frequent at peak week-ends. Some industry sources suggest that it will be at least five years before the southern air routes technically catch up with the demand.

The delays hit industrial workers, often tied into Saturday to Saturday breaks, hardest. As the blue-collar workers of Scandinavia, Germany, Holland and the UK pour into Palma each week-end, delays build up.

● More than 1,000 holiday passengers were stranded at Hurn Airport, Christchurch, Dorset, yesterday because flights to Jersey were delayed by dense fog in the Channel Islands.

● All Air India flights out of Heathrow have been indefinitely cancelled. Trouble has arisen over terms of a pay offer made to clerical staff, members of the TGWU, who have been "working to rule." Over 40 staff have been given notice. Air India flights are being re-routed to other European airports.

● NEWS ANALYSIS—ELECTRICITY INDUSTRY

Report backs nuclear growth

BY JOHN LLOYD

OVER THE past year, the electricity industry has dealt with two increasingly contentious issues.

They are the industry's use of nuclear power — now the sharpest arrow in the environmentalists' quiver—and the use *of coal, whether domestic or* foreign. This argument, while technically much simpler, is largely confined to bureaucratic jousting between great state corporations, for which the audience is more select.

The publication last week on the Electricity Council's medium-term deveopment plan, covering the years from 1979-86, casts some illumination on these fractious topics.

Nuclear opponents will find nothing in the report to allay their fears. The council believes that the growth of nuclear power is wholly essential, for these reasons:

● It is cheaper: "On the best estimate of plant capital cost and future fuel prices that can currently be made, nuclear generation is the most economic plant for development."

● Natural oil and gas, while plentiful in the UK now, are finite resources: oil, of much more importance to the industry than gas as a fuel, will at least double its real price by the end of the century. "A central task under the Government's energy policy . . . is that of deve*loping nuclear power against* the time when gas and oil supplies will be declining."

● Coal prices will rise roughly in line with oil prices, coal will become increasingly scarce as alternative uses (oil liquefaction, gasification) become commercially viable, while alternative energy sources are thought to have little to offer in this century.

Thus—"subject to environmental constraints"—the council appears to be planning on a future in which new nuclear stations will not merely cater for electricity growth (forecast to be about 2 per cent a year in the plan period) but will increase their proportion of the total fuel mix at the expense of oil and, more controversially, coal.

This is not said in so many words, but is clear by omission. The report talks about new plant in the context of nuclear power. The following paragraph is a clear statement of preference.

"Plant ordering in the period 1982 and 1985 will be influenced by the costs, once they become known, of the (nuclear) stations mentioned above, the CEGB success in obtaining site consents and the development of the UK nuclear manufacturing industry. On current forecasts, which are very tentative, ordering during this period could amount to about 2 GW per annum.

"Options are being kept open on plant types and fuel choice for orders from 1982 onwards and should nuclear programmes be delayed, contingency plans have been made to build alternative plant or to retain existing coal-fired plant in service."

By contrast, the following section talks cautiously of plans for "refurbishing" existing coal-fired plant.

While delicately informing the coal industry that its sales of coal to power stations are likely to decline in future years the plan slaps the NCB's wrists for setting its prices too high.

While it accepts that coal/oil prices rise as one, the plan says that this acceptance "leaves aside the question of the extent to which the increases in the costs of producing and transporting coal would warrant similarly large increases."

The report reflects the tensions which have existed within the energy industries over recent years. Some of these tensions now appear resolvable, if not by sweet reason then by the pressure of events.

An aggressive nuclear programme may be constrained, the coal industry may be forced to accept imports and the Government may relieve the NCB of some social costs.

But as the anti-nuclear film China Syndrome opens in the UK to critical acclaim and as the anti-nuclear growth camp strengthens it is clear that the electricity industry's fight is with a body even more powerful than the Coal Board—public opinion.

ITV blackout will last three days at least

BY GARETH GRIFFITHS, LABOUR STAFF

THE BLACKOUT at Independent Television is likely to last at least until Wednesday, company executives said yesterday.

The blackout, which has lasted since Friday is due to a national strike by members of the Association of Cinematograph, Television and Allied Technicians. The only television company to maintain a service has been Channel Television.

Both sides in the dispute will meet on Tuesday with the Advisory, Conciliation and Arbitration Service. Mr. Andy Kerr, chief conciliation officer, will see the Independent Television Companies Association and the three unions at a joint meeting.

The Electrical and Plumbing Trades Union and the National Association of Theatrical, Television and Kine Employees are involved in the talks, as well as the ACTT. NATKE is understood to have called a meeting of shop stewards today to discuss the position.

The outlook at the weekend for a speedy settlement was unpromising. Mr. Ron Carrington, labour relations adviser to *the ITCA, said the companies* did not intend to increase their present 15 per cent offer. The unions want on average a 25 per cent increase.

Channel TV plan to broadcast every evening from 6 pm. Mr. Brian Turner, Channel TV operations manager, said the company had a separate agreement with the ACTT. It would use films to fill in and would produce a local news programme.

Good prospects for machine tool industry

BY JAMES McDONALD

IT IS possible to manufacture machine tools successfully in the UK, says a report by the Engineering Employers' Federation.

The report is based on research—carried out with the aid of the Institute of Manpower Studies—among a sample of 21 federated companies in the machine tool sector.

The study was prompted by a conviction that low productivity was one of the major problems facing British industry. It was designed to enable the federation to help and encourage members to improve their performance, and to assist the federation in representing the industry's social and economic problems to the Government.

A wide spread of efficiency was found among the companies taking part in the survey, with four showing "outstanding performances." The report says that between 1973 and 1977, the average return on capital of the four best companies was 22.4 per cent, compared with 11.6 per cent for the other participants.

Profit made up 33 per cent of their value added, compared with 15 per cent and on average every employee in the best companies produced £2,710 value added per annum (in 1970 prices), over 30 per cent more than the average of other companies.

An analysis of the operating policies of the highly successful companies showed five common characteristics: a consistent, forward-looking managerial approach; a good product and dynamic marketing strategy; attention to production planning and control, stock control, engineering and research and development; emphasis on expertise and training at all levels; a commitment to good human and industrial relations and an appropriate payment system.

A Pilot Study of Performance and Productivity in the UK Engineering Industry, Engineering Employers' Federation, Broadway House, Tothill Street, London SW1. £2 EEF members, £5 non-members.

Research training inquiry

By Elaine Williams

THE Advisory Board for the Research Councils has set up a working party to study post-graduate training.

The working party will be *chaired by Professor Sir Peter* Swinnerton-Dyer, Master of St. Catherine's College, Cambridge.

It will consider how a shortage of students would affect manpower policies; whether present arrangements give students appropriate training and whether students are of the right quality and background; whether there are too many post-graduates in certain fields; and how research councils can ensure that there will be enough students to make a valid contribution to research.

Last year the Agricultural, Medical, Natural Environment, Science and Social Science councils made 6,810 studentship and bursary awards.

Boots launches credit card and personal loan facilities

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE BOOTS chemists group has become the latest High Street retailer to provide shoppers with credit cards and other credit facilities.

Boots is launching both an in-store credit card and a personal loan scheme for dearer purchases. Both schemes will be operated by the National Westminster Bank, using similar systems to those developed for the Access credit card.

The group says that its credit facilities will be available to customers who do not have a bank account or bank credit card.

The schemes are being launched initially in 34 large branches but from September 3, the cards will be available in all 1,130 branches and 143 Timothy Whites stores.

The in-store card will operate along the usual lines. Customers *will pay a fixed monthly sum of* between £5 and £20, and their credit limit will be 24 times that amount. The interest rate charged on outstanding balances will be 1.85 per cent a month.

Interest on the Boots personal loan scheme will be 12½ per cent a year. It will apply only to purchases of over £65 from large stores.

Boots, like most other High Street retailers, has decided that providing credit facilities is a useful means of ensuring customer loyalty and compensating for any short-term fall in consumer spending.

Most large supermarkets, except J. Sainsbury, now offer their own credit cards. Tesco, which launched its card last month, reports that initial customer acceptance has been much higher than forecast.

Other store groups, such as F. W. Woolworth, the Co-operative stores, and Marks and Spencer have already launched schemes or are in the process of doing so.

Marks and Spencer says that its credit card scheme will be available through all its 252 UK stores by the end of the year. Its credit facilities are operated by Citibank Trust and the Bank of Scotland.

Employers stay firm on engineers' pay

BY OUR LABOUR CORRESPONDENT

ENGINEERING employers said yesterday that to-day's national one-day strike would not change their pay offer to the Confederation of Shipbuilding and Engineering Unions.

Mr. Anthony Frodsham, Director General of the Engineering Employers Federation said employers could not afford the unions' claim.

The industry was finding it difficult even to maintain present levels of employment. Exports were down by 4 per cent in the first six months of 1979 on the previous half year, and imports were up by 18 per cent.

The federation expects to get a more representative view of the engineering workers' mood today than from last week's one-day strike. More companies are back from holidays. A stronger response in the west of Scotland, where many workers were on holiday last Monday, is also expected.

BL's pressed steel body plant at Cowley will also be affected. Workers who last week refused to go on strike now plan to take part in the stoppage.

The unions expect up to 2m workers to take part in the stoppage. Mr. Alex Ferry, general secretary of the confederation, said yesterday that the unions would step up the dispute if progress was not made after the strike. Mr. Terry Duffy, president of the Amal*gamated Union of Engineering* Workers, said a long all-out strike or selected local stoppages could not be ruled out.

The unions are demanding a £80 minimum weekly craft rate. They have been offered £70 a week. The confederation has imposed a national overtime ban since the beginning of August.

Borg-Warner develops drive for small cars

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

BORG-WARNER'S UK subsidiary claims it has had "spectacular test results" with a continuously variable transmission (CVT) it has been developing with Van Doorne of Holland and Fiat of Italy.

Many people in the motor *industry believe that CVT* systems will be used in a majority of the small, front-wheel-drive cars in Europe and the U.S. by the end of the 1980s.

Borg-Warner and Fiat bought a stake in Van Doorne last December. The project also has Dutch Government backing.

Mr. Derek Gardner, Borg-Warner's director of engineering and research, said cars fitted with the CVTs were comparable in fuel economy with manual gearbox versions. Under certain conditions, they were proving to be even more economical.

"We at Borg-Warner are well aware of the reputation of automatic transmissions from the economy point of view and, while this is often exaggerated, we are nevertheless determined to eliminate this disadvantage once and for all," he said.

The company is also developing a four-speed automatic transmission for engines of two litres or more at its Letchworth, Herts., headquarters. This will suit light commercial vehicles as well as cars.

Borg-Warner maintains that this transmission, called Model 85, *is showing a reduction of up* to 25 per cent in fuel consumption compared with existing automatic transmissions.

"With Model 85 we are looking for all the benefits of an automatic transmission without any performance or fuel penalty," Mr. Gardner said.

Whitehall saves on transport

Financial Times Reporter

THE CIVIL SERVICE saved over £400,000 last year by buying fewer and smaller vehicles, plans for improved vehicle management and maintenance are expected to save £900,000 a year.

Details of measures aimed at cutting the cost of the Government's 23,000 car, lorry and van fleet, are contained in an article by Mr. Ron Williams of the Civil Service Department's Management Services Division, in the latest issue of the department's journal, Management Services in Government. A transport economy unit was set up in the Treasury in 1958 and later transferred to the Civil Service Department.

Mr. Williams estimates the unit's work has led to savings of £15m since 1958—excluding the continuing benefits of negotiated lower national freight charges and the reduced operating costs of smaller vehicles.

Recent work by the unit, concentrating on improving vehicle management, including the introduction in one instance of computerised records, is expected to bring savings of about £900,000 a year.

By buying smaller vehicles for both self-drive cars and the chauffeur-driven Government Car Service—used by Ministers—and by limiting the number of vehicles, the Civil Service saved £408,000 in the year ending March 31.

Mr. Williams suggests transport needs may be reduced in the longer term because of the increasing application of new technology.

Union funds law brings accounting problems

THE LAW allowing trade union branches to report independently on their funds to the Certification Officer is causing problems in the auditing of union accounts, the Consultative Committee of Accountancy Bodies said today.

The committee has drawn up a guide outlining the accounting and auditing requirements of the 1974 Trade Union and Labour Relations Act. Representatives of the TUC and the Certification Office helped in its preparation. Further guidelines on auditing trade unions are being prepared by the Auditing Practices Committee.

Today's statement by the consultative committee says the 1974 Act means a trade union can have several accounts. The statement also looks at union and branch funds that are not included in the annual return to the Certification Officer and controls over the accounting records, cash holdings, receipts and remittances required by law.

By law, sums of over £5,000 must be professionally audited. Accountants have been worried by widespread failure to report branch funds which has meant only qualified national audits in many cases. Mr. John Edwards, the Certification Officer, said in his annual report in May that the extent of union non-compliance with the Act may "well be substantial."

£20m contract to develop mine in Strathclyde

By John Lloyd

The National Coal Board has awarded a £20m contract to *Murphy Brothers, a leading* open-cast mining contractor.

The contract is for the winning of an estimated 1.75m tonnes of steam coal from the NCB's Headless Cross site in Strathclyde.

Work on the site is expected to begin this month, and to be completed in 1987. About 60 jobs will be created locally.

The coal will be taken from four seams, three of which lie one above the other. Much of the overburden will be removed by the Bucyrus-Erie 1260W walking dragline, one of the biggest in Britain.

The site will be restored partly for grazing and partly *for forestry. It is honeycombed* with old coal workings. Restoration plans include measures to improve drainage.

UK to exhibit in Peking

CHINA has agreed to an all-British medical exhibition being held in Peking from March 12-22, 1980.

It will be organised by the British Overseas Trade Board, in conjunction with the British Health-Care Export Council and the Sino-British Trade Council.

As well as the exhibition, there will be a technical seminar with papers presented by British specialists.

Energy Department seeks oil production experts

THE Energy Department is seeking to lure oil production experts away from the North Sea companies to take over the advisory role removed from the British National Oil Corporation by the Government.

The department's petroleum engineering section is to launch a recruiting drive for 35 experts in all areas of oil development, who will be paid "comparable rates" with outside industry.

Mr. David Howell, Energy Secretary, has won Cabinet approval for the new posts, the pay for which will be between £9,200 and £13,600.

The department won good contacts and co-operation with the oil industry while BNOC fulfilled its "statutory advisory role" on North Sea development.

Now that role has been removed, the petroleum engineering section is to expand *contacts with the industry in a* bid to iron out problems in the development of the UK's Continental Shelf resources.

Civil servants attack Ministry 'complacency'

THE TWO main Civil Service unions representing staff in the Department of Health and Social Security have accused the Government of complacency over delays in child benefit payments.

In a joint statement today, the Society of Civil and Public Ser*vants, and the Civil and Public* Services Association say the Department underestimated the work involved in the changes in the child benefit payments system. The unions say Government statements, blaming delays on previous industrial action and a current overtime ban, were misleading the public.

Both unions have imposed an overtime ban since June at the child benefit computer centre at Washington in Tyne and Wear in protest against staff *cuts.* The centre is due to lose another 50 posts as part of the 3 per cent Civil Service staff *cuts.*

The delay in issuing child benefit books from Washington has been criticised by the Child Poverty Action Group and Family Service Units, who want the Department to look into the way the scheme is being run.

Council facing boat people row

A POLITICAL row is brewing in Inverclyde, where the district council became Scotland's first local authority to offer houses to the Vietnamese boat people.

Mr. Alex Maclean, of Strathclyde Regional Council, has claimed that the Liberal-controlled district has allocated the boat people four five-apartment houses which were needed by local families.

MENACE, MYTH OR MAGIC FORMULA?
see page 7

The troubled celebrations in Northern Ireland

BY STEWART DALBY IN BELFAST

THE MARCH called by the Provisional Sinn Fein, the political arm of the provisional IRA, in West Belfast yesterday came in the middle of a week of anniversaries which saw street violence re-emerge in Northern Ireland.

An estimated crowd of 5,000 marched up Falls Road to Casement Park. The provisional Sinn Fein organised speeches and said that representatives of the PLO and other revolutionary groups attended the gathering.

Bevies of soldiers were in attendance, though out of sight, as the marchers chanted "Brits Out" and "Up the IRA." Some youths threw rocks at the Andersons Town police station.

The week has seen the eighth anniversary of internment without trial and the 291st birthday of the seige of Londonderry when Protestant apprentices held the town against Roman Catholic forces. Tomorrow is the 10th anniversary of the introduction of troops into the province.

Sporadic outbreaks of destruction occurred in Belfast. Cars were stolen, occasionally hijacked and set on fire. Army patrols were fired upon by snipers in the mainly Roman Catholic areas of West Belfast. Part of the M1 from Belfast to Dublin was closed intermittently because cars were being stoned.

Hijacking

The 15,000-strong Londonderry apprentice boys' march went peacefully but was followed, however, by a mob of 400 hijacking a bread van near the Roman Catholic Bogside area and setting fire to it. Seven soldiers were injured as they fired to stop the hijacking, one seriously.

In Londonderry where the apartheid between Protestants and Roman Catholics in housing is particularly pronounced, Republican groups set up barriers around Bogside similar to 10 years ago. The whitewash sign "You are now entering free Derry" is still there, although faded. Temporary barriers were taken down after three days.

As background to the street activities was the normal pattern of everyday violence which the province has become so used to. There were a couple of bombings and one man mistaken for an Uster Defence Regiment member was murdered on Friday night.

It would probably be a mistake to see the demonstrations, hijackings and stonings as a return to the rampant and uncontrolled streets wars of the late 1960s and early 1970s, with no go areas, barriers, indiscriminate bombings and shootings on both sides.

The demonstrators were out in their hundreds rather than thousands (excepting the demonstration yesterday and the apprentice boys' march). The violence was sporadic and localised, often closer to hooliganism than organised political activity.

Transformed

Not everyone is happy with direct rule and British troops as a means of running Northern Ireland. Enough people prepared to respond to Republican calls for demonstrations proves there is dissatisfaction.

But it is not street warfare which is now crippling the Province, economically and politically.

In the past 18 months the nature of the struggle has changed. The Protestant paramilitary groups are largely if not entirely quiescent and the Republican paramilitary groups have transformed themselves from clumsy street armies with sprawling structures to more sophisticated guerrilla groups.

The newest group to emerge is the lethal Irish National Liberation Army, thought to derive from the Irish Republican Socialist Party which itself stemmed from the official IRA. Police believe it has no more than 50 active carders and links *with other guerrilla groups in* the Middle East and Europe.

INLA claimed responsibility for the murder of Mr. Airey Neave at Westminster last March. The group has been banned since June.

Last weekend a 23-year-old Portadown man was charged with being a member of INLA, with two murders and a suspected murder. One murder was said to have been done through a car bomb similar to the one which killed Mr. Neave. The charges coincided with the arrival of Scotland Yard detectives in Belfast over the week-end to question men being detained for crimes committed in London.

Reorganised

The much larger Provisional IRA has also reorganised itself, consisting now mainly of four man active service units and a streamlined command structure. This has meant a considerable improvement of Provisional security.

The main thrust of its activities now is to try to kill security forces men and to bomb economic targets. This year, 31 members of the RUC, the UDR and the British Army have been killed.

هكذا من الأصل

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● DATA PROCESSING

Librarians' aid

DERBYSHIRE County Council's computerised library control system, the most comprehensive of its kind in Europe and possibly in the world, has got off to a trouble-free start after two years' preparation. Chesterfield Senior and Junior, and Buxton libraries are the first three of eight in the county to be brought into the scheme's first phase; the second phase will bring the total to over 60.

Catering for all aspects of library management outside full cataloguing, the equipment accepts reservations, schedules and executes them, firstly from local and only if necessary from areas or county-wide stocks, book transport between branches thus being minimised.

Fines are computed and facilities exist for them to be handled on a credit basis. Records are currently maintained for 500,000 volumes and 200,000 book borrowers, figures which will rise steeply as the scheme is expanded.

Central processor is an interactive Prime 300 system with 160 Megabytes of disc store. Software was designed, specified and implemented entirely in Fortran by Doric Computer Systems of Watford. Overall contractor for the scheme was Automated Library Systems of Welwyn.

When the later stages of the system are brought in, they will continue to operate using virtually the same software, despite the large increase in scale involved.

Doric Computer Systems, 25, Woodford Road, Watford, Herts. WD1 1PP. Tel.: (92)-48788. Automated Library Systems, Vector House, Welwyn Garden City, Herts. AL7 7AN. 07073 29344.

Fast pile calculations

INTENDED to cut the time and costs involved in the analysis of foundation walls, piles and pile groups, subject to lateral loads, a program has been added to bureau services for civil engineers provided by London United Computing Systems.

LAWPILE—Lateral Analysis of Walls and Piles—has been developed by Dr. L. A. Wood of Queen Mary College, London, at the specific request of users of his RAFTS soil structure interaction program, introduced by United Computing 18 months ago.

The need expressed by engineers, which led to the development of LAWPILE, was for a program which would allow advanced analyses to be carried out on a variety of foundation systems, simply and cheaply. By extending the methods used in RAFTS, Dr. Wood has devised a system which models structures by linear finite elements—the soil by boundary elements—and gives the accuracy of large finite element models for a fraction of the cost.

Facilities available will analyse single piles and pile groups as well as diaphragm walls, sheet pile walls and propped cantilevers. Factors such as the elastoplastic nature of soils, non-linear structural effects and the position of the water table are all taken into account automatically, while features like the ability to vary soil properties in plan and with depth, and the availability of the Winkler spring model are also incorporated.

UCSL, 56 Leonard Street, London EC2A 4AN.

Reads data rapidly

AN ADVANCED hand unit for handheld automatic reading of data most commonly found in general data installations has been introduced by Plessey Communications and Data Systems.

Designated OCR Series 2800, the new unit is an important addition to the company's range of equipment specially developed for the data-capture market. The Plessey range is now able to offer users the choice of bar code or optical character recognition, depending on requirements. Series 2800 is compatible with the full Plessey range of data capture equipment.

The most advanced equipment in the range, Model 2880, is user-programmable to facilitate complex data output by and within the terminal. It also embodies self - diagnostic capability.

All OCR Series 2800 equipments incorporate microprocessor-controlled automatic line-tracking, which disregards extraneous data, thus providing long-line reading on first-pass scan. Compact, rugged and lightweight construction provides modular hardware and software capabilities sought by OEM customers to meet end-user needs. It embodies no moving parts and is silent in operation.

● ELECTRONICS

National showroom

WHAT MIGHT be described as a permanent electronics show-room—for the industry is to be opened at the World Trade Centre in London on September 25.

Originally mooted in the Spring of this year, the idea of a fixed instrument display centre has now been expanded to include most forms of electronic equipment, has been backed with money from Finance for Industry and is receiving the active support of the Department of Industry.

Visitors to the centre will be able to see a wide range of equipment with the emphasis on microprocessor based instruments and control.

Apart from the permanent display, which will be manned by technologically-informed permanent staff, the Centre will also stage a mini-exhibition covering specific subjects, the first of which is to be oscilloscopes. These three-day events will be held every other week and others scheduled include multimeters, power supplies and temperature measurement.

Attached to the main display areas will be a library of manufacturer's literature from which visitors will be able to permanently remove whatever they need.

In addition the Centre will be publishing its own journal called Product Review every two months.

Cost to companies placing their products at the ME Centre will vary from £1,750 a year for a full display module offering 20 linear feet of shelf space down to a foot of wall space for £175.

More from the organisation at the World Trade Centre, London E1 9AA. (01-488 2400).

Heat data package

A SMALL packaged circuit from Burr-Brown International, measuring 4.6 by 3.0 by 0.375 inches, contains all the circuits needed to digitise the outputs of up to 16 thermocouples so that the information may be processed by a computer.

Known as the SDM 853, the package has an integral instrumentation amplifier with a gain that can be set between 100 and 2,000, allowing it to be connected to couples with operating ranges extending from minus hundreds to plus thousands of degrees C and temperature coefficients between 10 and 70 microvolts per degree C.

This amplifier also has high common mode rejection so that noise signals picked up by long thermocouple wire runs can be rejected. Alternatively, simple low pass filtering can be applied.

To carry out cold junction compensation an ordinary barrier strip can be monitored to allow ambient temperature data to be supplied to the computer.

The SDM 853 can provide eight differential or 16 single-ended inputs. More from 11 Station Road, Watford, Herts. (0923 33837).

● HORTICULTURE

Greenhouse watered

A MEANS of ensuring that only the required amount of water or water/nutrient solution is fed to plants in greenhouses and nurseries is offered by Fenlow Electronics, Church Street, Marcham, Oxfordshire OX13 6NP (0865 391788).

The equipment consists of a minicomputer, gold plated moisture measuring probes and a solenoid valve connected to the irrigation supply.

During a two-hour cycle the processor measures and averages the readings from the separate probes and stores the values. During the irrigation cycle water is allowed to flow only if the moisture level has fallen below the computed required level.

Irrigation is allowed in relatively small shots and at intervals that allow the water to permeate the soil. The changing moisture levels are measured continually and are compared with the previously stored values. The computer registers the rate of take up and adjusts the total number of shots to establish the optimum.

The company claims that unlike other systems, the Fenlow equipment, known as ECH20, cannot either over water or dry out the plants.

● MAINTENANCE

No need to go down the drain

KEEPING THE UK's sewerage systems in good running order is becoming increasingly difficult. Because so many sewers are very old (some have been in use for over 100 years) they are dangerous and extremely unpleasant to work in. Substances which were never envisaged when the sewers were first laid now pass into them, adding greatly to the task of maintenance.

Machines for carrying out much of the difficult maintenance work from the surface have been developed in parallel with the growth of the problem and one of the leading suppliers of this equipment, which is usually mounted on a road vehicle, is planning a major expansion of its activities in the UK.

A machine now to be offered more widely, the Vactor 810 Jet Rodder, employs a vacuum system capable of lifting liquids and solids from depths of 50 ft or more. It also uses a powerful water jet operating at 2,000 lbs per sq in pressure.

Machines of this type have hitherto been made available for hire by Industrial and Municipal Pollution (IMP) of 14, South Street, Torrington, Devon. EX38 8AF (08052 2539), but they are now to be sold as well. The first sale has just been made to the North West Water Authority.

The equipment's usage need not be confined to sewers. It can be used to clear pipe systems on industrial estates, for instance, while one of its more recent applications was in the clearing of the Swanage, Dorset, storm water outfall for Purbeck District Council.

This outfall (34 inches deep, 28 inches wide and 41 metres long) was filled solid with shore sand and gravel. It took a Jet Rodder with two operators four days to clear at a cost of about £1,200 compared with a gang of men working for six weeks at a cost of over £3,500.

IMP is now considering wider applications for its machines and it has already devised a method for the cleaning, drying and coating of the interiors of drains and sewers with an epoxy resin in one operation carried out from the surface.

Other uses foreshadowed are the cleaning of fresh water mains and the clearance by chemical means of roots which penetrate into pipelines and sewers.

By the end of this year, about 20 Vactor Jet Rodders will be out and about on hire contracts in various parts of the country. They cost about £26 an hour to hire or can now be purchased at a cost of £42,000 to £44,000 each.

● SAFETY AND SECURITY

Sounds to tag the diver

ACOUSTIC "pinger" markers can be supplied for European offshore underwater use by Staveley Electrotechnic Services, 68 Grosvenor Street, Manchester M1 7EW (061 273 6321).

These tiny devices, which range in size from 1.3 inches long by 0.6 inches diameter to six inches by one inch have an effective range from 150 yards up to nearly a mile. They are designed specifically for "tagging" divers, underwater objects, work locations and submersibles.

Customers can specify the acoustic frequency in the range nine to 200 khz and the operational life, which can be up to 100 days, may be extended by adding further miniature batteries, adding no more than 1.2 inches to the length.

Since the pingers are encapsulated in epoxy resin they can operate in deep water without problems.

For complete systems, the company can also supply small highly portable receivers and a directional hydrophone for tracking purposes.

Fencing in plastics

DESIGNED TO be installed in either ranch or palisade form is a system of rigid pvc fencing, to be marketed under the name Telspar by Telcon Plastics, Farnborough Works, Green Street Green, Orpington, Kent.

The fencing should prove equally advantageous to commercial or industrial users because it is quickly and simply installed, immune to rusting and rotting, does not need painting, and requires a minimum of maintenance.

Suggested applications are for factory sites, air terminals, racecourses, parking lots and filling stations. It may also be suitable, says the maker, for high quality domestic applications.

Special feature of the system is that it is constructed with tamper-proof fixing bolts.

● AUTOMATION

Decoding the pulses

A UNIT put on the market by Base Ten Systems will decode a pulse code modulated (pcm) data stream consisting of up to 16 multiplexed channels and provide up to four analogue signal outputs.

Known as the Serial 71 decommutator the unit has a front panel control enabling any one of the 16 channels to be switched on to a four digit numerical display and at the same time be fed to a standard interface for a PDP-11 minicomputer for subsequent data processing.

Input data streams can have word lengths between eight and 12 bits and up to 16 words per frame, both selectable by internal links. The unit can be used with variable bit rates of up to 50,000 samples/sec and for use with an instrumentation tape recorder the front panel bit rate control is also graduated in equivalent tape speeds.

More from the company at 13 Belmoor Road, Farnborough, Hants GU14 7QN (0252 517665).

● COMMUNICATIONS

Low cost radio training

BEFORE THEY take to the air it is essential for the growing number of private flyers to be able to use airborne radio telephony equipment without confusion, particularly if an emergency should arise.

Complicated simulators can be costly, while simple intercom units modified to give the effect of air-ground communication are frequently inadequate.

Kearns Barker Associates of Rutherford Road, Basingstoke, Hants (0256 52911) offers a solution to the problem with its RT Simulator, a student unit and a cable-connected instructor's set that are placed in separate rooms.

Both units contain four-digit frequency select switches settable from 100.0 to 199.9 MHz and although no radio frequencies are generated, student and instructor cannot communicate unless both have selected the same channel or the instructor has pressed his over-ride switch. The instructor's unit has, in addition, a digital display which shows what has been selected by the student.

Apart from private flying tuition, the system is expected to be useful to the emergency services and perhaps the armed services.

Fibre joined by fusing

EQUIPMENT developed at the Philips Research Laboratories in Eindhoven and reported in the latest edition of the company's Technical Review fuses the ends of optical fibres and works in a way described as "rather like soldering wires together."

Basic components of the system are a V-groove and fibre handling system (three axis motion), electric arc discharge arrangements to provide the heat, and a halogen lamp optical projection system that throws a 60 times magnification of the fibre ends on to a screen in two mutually perpendicular views.

After lining the ends up on the screen using micro-manipulator controls, an initial arc discharge burns off any plastic coating and a second application produces a join which is smooth providing that the heating time has been properly chosen for the particular fibre — between five and 15 seconds.

The machine, still experimental, makes joints in which the optical loss can be kept below an average of 0.06 dB and does not exceed 0.15 dB.

● IN THE OFFICE

Gives copy a good image

HIGH QUALITY images result from a plain paper copier because of an indirect electrostatic reproduction method with a magnetic brush process in the final stages, announces Agfa-Gevaert, Brent House, 950 Great West Road, Brentford, Middx. (01-560 2072).

Two paper cassettes are supplied with the Gevafax X-31: standard cassette is for A4 plain copying paper but can also take 8 by 10 inch sheets, the minimum copying size, and a total of 1,000 sheets can be loaded giving an unusually long running time before replenishment is necessary; the other cassette, the Universal, takes any size from the minimum up to A3, with a capacity of 500 sheets of the largest size.

The appropriate cassette is selected on a visual display at the rear of the copying platen and where an original single sheet of paper is being copied it can be fed directly into the automatic feeder without the need to raise the platen cover.

After the desired number of copies is completed the original is ejected into the receiving tray—and no more originals can be left in the copier for retrieval by the next user.

Another plain copier with micro processor controls and strip optics is available from A. B. Dick Company of Great Britain, 88 High Street, Brentford, Middx. (01-568 9899).

Strip optics of the 990 is said to be designed to give the finest quality copies, and a self contained microcomputer brain runs the copier with only a fraction of the moving parts other copiers need, claims the company.

With 15,000 transistors built into a tiny chip, the electronics process the paper through the copier and provide information to the user through the LED display. One setting on the digital keyboard will register one to 99 copies on the LED display which counts down.

● HAND TOOLS

Saws small trees

IDEAL for felling small trees, lopping branches and cutting firewood—also for coarse woodworking jobs, such as fencing and roofing—is a lightweight chain saw from Sweden, introduced to the UK market by C. D. Monninger, Overbury Road, London, N15 (01-800 5435).

Major feature of this DIY tool is operator safety—incorporated is a very advanced, inertia-type, automatic chain braking system which stops the saw in less than one-nineteenth of a second should the chain bind and kick back.

CONTRACTS AND TENDERS

AKPE
ALLGEMEINES KRANKENHAUS WIEN
PLANUNGS- UND ERRICHTUNGS-AG
1090 WIEN, LAZARETTGASSE 20
TELEFON 0222/43 89 51 DW

Call for tenders

for computer software products for the New Vienna General Hospital (University-Clinics).

Ausschreibende Stelle:
Allgemeines Krankenhaus Wien, Planungs- und Errichtungs-Aktiengesellschaft (AKPE)
Lazarettgasse 20, 1090 Wien, Tel.: 43 89 51, Telex: 136153
für die
Arbeitsgemeinschaft der Republik Österreich und der Stadt Wien für den Neubau des Wiener Allgemeinen Krankenhauses (Universitätskliniken)

Scope of tender:
The tender has to include an already existing software product for the fields of patients-, operation-, pharmacy- and goods administration, which is to be used on the one hand with the existing computer IBM/370–158 as the central processing unit and which is adaptable to the special requirements to the New Vienna General Hospital (AKH) on the other hand. Any necessary special peripheral hardware (e. g. TV-screens, printers) as well as processing software should be included in the offer.
Die Angebote sind in deutscher Sprache abzugeben.

Angebotsabgabe:
Die Angebote sind bis Dienstag, 25. September 1979, 8.45 Uhr, in verschlossenen Umschlägen mit der Aufschrift „Angebot über Softwareprodukte Informationssystem AKH, der Firma......................" abzugeben.

Öffentliche Angebotseröffnung:
Dienstag, 25. September 1979, 9.00 Uhr, Sitzungszimmer, AKPE, Wien.

Zuschlagsfrist:
12 Wochen.

Die Ausschreibungsunterlagen sind ab Montag, 13. August 1979 gegen Einzahlung von öS 5.000.- bei der AKPE, 1090 Wien, Lazarettgasse 20, Erdgeschoß, Zimmer E 05, werktags (außer Samstag) von 9.00 bis 12.00 Uhr erhältlich. In dieser Zeit kann bei der Arbeitsgemeinschaft Betriebsorganisation, 1160 Wien, Neulechenfelder Straße 12, Dr. Böhm, Telefon: 43 59 94 nach telefonischer Anmeldung in Unterlagen und Pläne Einsicht genommen werden.*)

Angebote von Firmen können nur dann berücksichtigt werden, wenn die Bieter alle in Österreich notwendigen Berechtigungen und nachweisbar den nötigen Betriebsumfang und die entsprechende Erfahrung besitzen.

*) Die Ausschreibungsunterlagen werden jedoch Interessenten aus dem Ausland auch gegen vorherige Einzahlung von öS 5.000.– auf das Konto bei der Zentralsparkasse der Gemeinde Wien 696-025-303 unverzüglich nach Einlangen des vorerwähnten Betrages zugesandt.

Argentine Republic
Ministry of Economy
State Secretariat of Energy

Hidronor S.A.
Hidroeléctrica Norpatagónica Sociedad Anónima
Alicopa Complex
Alicurá Hydroelectric Project

Prequalification of contractors:

Contract No. 545 — overhead travelling cranes

In connection with a subsequent call for tenders for design, manufacture, transport, testing and commissioning of two powerhouse overhead travelling cranes, Hidronor S.A. will receive and analyse the qualifications and references of those firms or consortia of firms that have adequate technical and financial capacity and wish to take part in the call for tenders.

—Two overhead travelling cranes for the powerhouse, for both single and tandem operation.

—Lifting capacity of each unit: 280 tons for the main hoist.

—*Track width: 20 metres. Track length: 110 metres.*

Terms of reference

The procedure for submission of data and the characteristics of the supply is set out in the corresponding prequalification document, which may be obtained either from Hidronor S.A., Av. Leandro N. Alem 1074, 5th Floor, 1001 Buenos Aires, Argentina, or at the main offices of Electrowatt Engineering Services Ltd., Bellerivestrasse 36, CH-8022 Zurich, Switzerland, and SWECO AB, P.O. Box 5038, 2 Linnégatan, S-102 41 Stockholm 5, Sweden, as from August 2, 1979.

The envelopes containing the qualifications and references of the firms *or consortia concerned* shall be submitted to Hidronor S.A., Av. Leandro N. Alem 1074. 5th Floor, 1001 Buenos Aires, Argentina, before 4 p.m., September 13, 1979.

CONTRACTS AND TENDERS
Advertisements appear every Monday
Rate: £17.50 per single. col cm.
Minimum 3 cm
For further information regarding advertising please telephone:
FRANCIS PHILLIPS 01-248 4782

CALL FOR TENDERS

FOR SUPPLYING DAIRY EQUIPMENT

Vojvodjanska Banka, Novi Sad, Yugoslavia, has received a loan from the World Bank in various currencies equivalent to US$75m towards the cost of Agricultural Credit II Project, Yugoslavia, and intends to apply the proceeds of this loan to eligible payments under the contract for which this invitation to bid is issued. Payments by the World Bank will be made only at the request of Vojvodjanska Banka and upon approval by the World Bank in accordance with terms and conditions of the loan agreement and will be subject in all respects to the terms and conditions of that agreement. Except as the World Bank may specifically otherwise agree, no party other than Vojvodjanska Banka shall derive any rights from the loan agreement or have any claim to loan proceeds. Therefore Zamex, Export-Import, Zagreb, Yugoslavia, by authorisation of the Dairy Zadar, YU-57000 Zadar—the employer, calls for tender to supply and to install the dairy equipment. Included are: one complete line for production of pasteurised milk, complete line for butter production, production of Yoghurt and other various dairy equipment, as well as transport vehicles.

The tender documents will be available after the payment of

—for the bidders from abroad US$100

—for the bidders from Yugoslavia dinars 1,800

to Zamex, Zagreb.

The payment for the release of the tender documents is to be effected as follows:

—Foreign currency payment in favour of the account of Zamex, Export-Import, Zagreb, the account with Zagrebacka Banka N-30101-16-7100-000-3284603.

—Payment in dinars in favour of the account of Zamex, Export-Import, Zagreb, no. of the account 30107-601-16803 with SDK, Zagreb, with the note: "For the release of contract documents."

Producers from the member countries of IBRD and Switzerland have the right of participation in the international tendering.

The deadline for bids acceptance according to this advertisement is 30th September 1979 till 10.00 a.m. and the public bids opening will be the same day at 12.00 noon local time in the office of Zamex, Export-Import, Zagreb, Divka Budaka 17.

icel

REPUBLIC OF COLOMBIA — SOUTH AMERICA
MINISTRY OF MINES AND ENERGY
INSTITUTO COLOMBIANO DE ENERGIA ELECTRICA — "ICEL"
Betania Hydroelectric Project
Installed capacity: 510,000 kilowatts

REGISTRATION AND PREQUALIFICATION OF FIRMS FOR THE CONSTRUCTION OF THE CIVIL WORKS AND THE SUPPLY, ERECTION *AND TESTING OF THE ELECTRICAL AND MECHANICAL EQUIPMENT,* INCLUDING THE FINANCING OF THE PROJECT.

PURPOSE
The Instituto Colombiano de Energia Eléctrica—"ICEL," a public establishment of the National Government of Colombia, hereby notifies interested firms that it will shortly invite tenders from prequalified bidders for the construction of civil works, and the supply, erection and testing of *electrical and mechanical equipment including the financing of the Betania* Hydroelectric Project. The project is located on the Magdalena River approximately 30 km south of the City of Neiva, capital of the Department of Huila, 260 km southwest of Bogotá.

To participate in the bidding, civil works contractors and manufacturers of electromechanical equipment must be duly registered and prequalified in ICEL's register of contractors and suppliers, and must be classified within the groups and categories indicated in the prequalification documents. They must also comply with the other requirements included in *suchc documents. Therefore ICEL is inviting all interested parties to* submit the required registration and prequalification information.

For the Betania Project the prequalification will be divided in five independent items of work as follows: a) Civil works, b) Turbines and additional mechanical equipment, c) Generators and auxiliary electrical equipment, d) Transformers; and e) Switchyard equipment.

COST OF DOCUMENTS
The cost of the documents is Colombian Pesos 2.000, or US$ 50.00, which must be paid in advance in ICEL's treasury located at Carrera 13 # 27-00, 6th Floor, Bogota. If ordered by mail, a certified check in the name of ICEL must be included with the request.

AVAILABILITY OF DOCUMENTS
The documents can be reviewed in ICEL's Library at the same address, and also in the office of the Colombian Association of Construction Engineers, ACIC, in Bogotá, Carrera 13 No. 48-47 piso 3.
The documents may be obtained in ICEL's office, Carrera 13 # 27-00, Room No. 626, Bogotá, after July 10, 1979, and must be submitted not later than 4.30 pm of September 24, 1979, at the following address:

Instituto Colombiano de Energia Eléctrica
"ICEL"
Secretaria General
Carrera 13 # 27-00
Oficina 307
Bogotá, Colombia, South América

الشركة التونسية للكهرباء والغاز
steg
Société Tunisienne de l'Electricité et du Gaz

APPEL D'OFFRES INTERNATIONAL

La S.T.E.G. se propose de lancer un appel d'offres pour l'acquisition des fournitures ci-après :

—FILS CUIVRE NU
Fils cuivre nu dur electrolytique à haute conductibilité Norme NFC 34-110 (ou toutes autres équivalentes)
—40/10 — 40 T
—50/10 — 30 T

—CABLES CUIVRE NU
Câble cuivre nu écroui à haute conductibilité norme NFC 34-110 (ou toutes autres équivalentes)
—29.25 mm² — 19 brins de 1.4 mm — 30 T
—17.81 mm² — 7 brins de 1.8 mm — 380 T

—CABLES ALMELEC
Câbles almelec homogène graisse (A.G.S./L) norme NFC 34-125 (ou toutes autres équivalentes)
—59.7 mm² — 19 brins de 2 mm — 70 T
—148.1 mm² — 19 brins de 3.15 mm — 150 T

Le cahier des charges peut-être retiré gratuitement auprès de la S.T.E.G.—38, Rue Kemal Ataturk—TUNIS, (Département Approvisionnement et Magasins Généraux).

La date limite de remise des offres est fixée au 16 Octobre 1979, à 17 heures.

Les offres doivent être adressées obligatoirement sous double enveloppe cachetée et celle de l'intérieur doit porter la mention suivante:

"NE PAS OUVRIR — APPEL D'OFFRES"
"CONDUCTEURS ELECTRIQUES NUS EN CUIVRE"

à l'adresse ci-après:

MONSIEUR LE PRESIDENT DE LA COMMISSION DES MARCHES DE LA SOCIETE TUNISIENNE DE L'ELECTRICITE ET DU GAZ — 38, RUE KEMAL ATATURK — TUNIS — TUNISIE.

BUSINESSMAN'S DIARY

UK TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Aug. 17—19	Custom Car Show (08833 4371)	Bristol Exbn. Centre
Aug. 19—23	International Craft and Hobby Fair (04252 72711)	Wembley Conference Centre
Aug. 21—23	Education and Communication Technology Exhibition (01-722 4139)	Holland Park School
Aug. 25—Sept. 1 .	International Motor Cycle Show (01-741 2156)	Earls Court
Sept. 2—6	Giftware and Fashion Accessories Trade Fair (Tunbridge Wells 36685)	Bristol Exbn. Centre
Sept. 3—7	International Music Publishing and Recording Industry Show—INTERPOP (01-486 0059)	Connaught Rooms, London
Sept. 3—7	*Offshore Europe Exhibition and Conference (01-549 5831)*	Aberdeen
Sept. 4—6	Point-of-Sale Exhibition (01-340 3291)	West Centre Hotel, London
Sept. 4—7	International Carpet Fair (021-705 6707)	Harrogate
Sept. 4—7	International Inplant Printing Show—REPRO. WORKSHOP (01-647 1001)	Wembley Conference Centre
Sept. 11—13	Electronics Show (08833 4371)	Bristol Exhibition Centre
Sept. 16—19	MAB '79—International Menswear Fair (01-839 5041)	Earls Court
Sept. 17—20	Filtech/Dustex '79—2nd World Filtration Exhibition (01-236 0911)	Olympia
Sept. 18—21	Firetech '79 International Fire Protection and Control Exhibition (01-637 2400)	Brighton Exbn. Centre
Sept. 24—26	Weightech '79 (01-886 5741)	*Metropole Ex. Centre Brighton*
Sept. 24—28	International Welding and Metal Fabrication Exhb. (021-705 6707)	National Exhibition Centre, Birmingham

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Current	Austrian Timber Fair (01-584 6938) (until Aug. 19)	Klagenfurt
Aug. 13—16	National Hardware Show	Chicago
Aug. 17—26	International Trade Fair (01-486 1951)	Malmo
Aug. 20—Sept. 20	International Fair	Izmir
Aug. 20—24	International Packaging and Food Processing Exhibition—PAKPROCESS (01-486 1951)	Johannesburg
Aug. 24—Sept. 2 .	International Radio and TV Exbn. (01-540 1101)	Berlin
Aug. 25—27	Zuspa: International Shoe Samples Fair	Frankfurt
Aug. 26—29	International Fair (01-734 0543)	Johannesburg
Aug. 26—29	International Fair (01-734 0543)	Frankfurt
Aug. 27—30	Pharmaceutical and Chemist Supplies Exhibition (01-486 1951)	Utrecht
Aug. 28—31	Electrical and Electronics Components Exhibition	Gothenburg
Aug. 29—Sept. 12	Timber and Woodworking Industry Exhibition	Moscow
Aug. 31—Sept. 9 .	International Fair of Consumer Goods (01-874 6034)	Stockholm
Sept. 2—9	International Autumn Fair (01-493 3111)	Leipzig
Sept. 3—10	International Trade Fair	Plovdiv
Sept. 6—21	International Fair of Algiers	Algiers
Sept. 8—11	Technical Trade Expo (01-242 4784)	Cairo
Sept. 8—11	International Leather Week (01-439 3964)	Paris
Sept. 8—16	*International Autumn Fair (01-584 6938)*	Vienna
Sept. 8—23	International Fair	Ghent
Sept. 12—20	International Engineering Fair (01-278 0281)	Bruno
Sept. 13—16	International DIY Trade Fair (01-236 0911)	Essen
Sept. 14—23	*International Autumn Fair (01-486 1951)*	Zagreb
Sept. 16—19	LIGAM—Furniture Trade Fair	Berne
Sept. 16—19	Clothing Fair	Brussels

BUSINESS AND MANAGEMENT CONFERENCES

Current	Compower: Basic Trainee Programming Course (Cannock 2511) (until Aug. 17)	Cannock, Staffs.
Aug. 16—17	*Brunel Management Programme: Personal Effectiveness Development Workshop (0895 56461)*	Brunel University
Aug. 27—Sept. 2 .	Orb Foundation: Trade and Technology in Orbit (01-836 4688)	Wembley Conference Centre
Sept. 3—7	Brunel Management Prog.: Production Management and Human Behaviour (Uxbridge 56461)	Brunel University
Sept. 6—7	MSS. Management Skills for Women (Lincoln 38529)	Lincoln
Sept. 10—12	EMS: The Japanese Approach to Product Quality Management (High Wycombe 33171)	Institute of Directors, Pall Mall
Sept. 11—12	Freight Information Services: Practical Marketing for Road Hauliers (Southport 33515)	Southport
Sept. 11—12	ASUAG: *International Chronometry Congress* (01-387 0116)	Geneva
Sept. 12—13	Financial Times: Korea in the 1980s (01-236 4382)	Seoul
Sept. 12—15	International Newspaper Promotion Association: 9th European Conference	Munich
Sept. 13—14	Society of Chemical Industry: Marine Corrosion on Offshore Structures	University of Aberdeen
Sept. 14	CILA: Educational Conference (01-240 1496)	Frankfurt
Sept. 14	MSS Computer and Business Consultancy: Effective Budgeting and Financial Planning (Worthing 34755)	*Royal Lancaster Hotel, W2* London
Sept. 16—21	Brunel Management: Experimental Methods in Management Training (Uxbridge 56461)	Brunel University
Sept. 17—21	Lamsac: Job Evaluation (01-828 2333)	Buckingham Gate, SW1
Sept. 18	The City of Westminster Chamber of Commerce: Security and Survival in an Age of Violence (01-734 2851)	H.M.S. Belfast
Sept. 18—21	University of Bradford Management Centre: Financial Control of R and D (Bradford 42299)	Heaton Mount, Bradford

Yugoslavia's hard line on technology transfer

BY A. H. HERMANN, LEGAL CORRESPONDENT

THE PATENT system is already sick and ailing. It is cumbersome and many believe mainly of benefit to large companies which can sustain the enormous costs of patent litigation and have the resources to enable them to develop products faster than their smaller competitors. It is under attack from the anti-trust agencies in the U.S. and EEC. Proposals that it should *be loosened*, and possibly replaced by some sort of copyright system—everyone publishing inventions as quickly as *possible and being entitled to claim* royalties whenever plagiarism can be proved — have been in the air for some years now. *The developing countries could* well deal it the final blow.

Yugoslavia has been developing its industry rapidly. I had *plenty of evidence of this during* my recent visit to Belgrade, which in the course of the past 50 years has developed from a large Balkan village to a *modern* and attractive town.

Though much more advanced than other countries of the *Third World, to the leadership* of which it aspires, Yugoslavia is not spared the typical difficulty of keeping the advance in *step and of concentrating* on the essentials. In some rural districts and islands the *short* triangular hoe is still the main *instrument of labour, to use the* Marxist term, and hard currencies are scarce. But until recently Yugoslav enterprises *were given a fairly free hand to* buy foreign licences as they pleased, including some which *do not seem quite essential— for example one for the making* of Jaffa cakes, which seems to be the current craze in Belgrade. Such *free spending* of hard *currency seems to have jolted* the authorities into taking a more cautious attitude.

Yugoslavia is also ahead of Comecon in having concluded about 170 joint ventures with Western companies. *Its second* joint venture with Dunlop, for the production of dumper tyres, was signed in June. Yugoslav officials *miss* no opportunity of emphasising that they wish to conclude many more such agreements with Western companies in the future.

At the same time, this "fraternising" with the capitalists is provoking resistance from the hard-line faction of the Yugoslav establishment. Though the latest revision of the Yugoslav Law on the Investment of Foreign Persons' Funds in Domestic Organisations came into force only on April 15, 1978, its spirit seems to be contradicted in some respects by the way it has been applied.

The law guarantees the foreign investor equality of treatment, gives him the possibility of up to a 49 per cent share in a joint venture and provides for joint management by a board made up of Yugoslav and foreign members according to the proportion of funds invested by the two sides.

However, Yugoslav authorities have been insisting recently that the joint venture organisations must not take any bank credit and that any additional funds required must be obtained in the form of equity capital from the Yugoslav partner. This may cause great financial embarrassment to some of the Yugoslav enterprises involved in such partnerships, and is bound to restrict substantially the share of the foreign partner in the returns of the joint venture and in its management.

Even now the joint boards have very limited scope, often meeting only two or three times in a year while there are hardly any foreign personnel in management. Nor is it possible to bank on any long-term advantages, as any extension of the agreement must be authorised by the Government.

Conditions

Without waiting for any *international code* on the transfer of technology, whether legally binding or not, Yugoslavia last year laid down strict conditions under which it is willing to accept Western technology. The Long Term Cooperation Act, 1978, severely restricts the room left for negotiation of agreements. All co-operation agreements must be approved by the Federal Committee for Energy and Industry and this is prevented by the Act from granting *an authorisation* unless the agreement meets certain statutory requirements, so that the supplier of technology finds *himself in a "take-it-or-leave-it"* position.

One of the most important conditions is that from three *years after the expiry of the* agreement the Yugoslav partners must be free to sell the technical knowledge, or to divulge business secrets acquired under the agreement. Moreover as I was authoritatively told in Belgrade, should an agreement be prematurely *terminated through a fault of* the supplier of technology, this would, under the recently revised Yugoslav law of contract, *remain the property of the* Yugoslav party. And the supplier could claim financial compensation only in Yugoslav *courts*.

Other mandatory conditions provide for the freedom of the Yugoslav party to export *products or buy raw materials* and parts anywhere. To be eligible for authorisation, the agreement must contain a number of *guarantees. These* cover the completeness and adequacy of the technology, and oblige the supplier to make available *future improvements and discoveries*. He must also undertake to supply materials, spare parts and equipment at *competitive prices and to indemnify* the Yugoslav party for any product liability claims or for any liability arising from environ*mental or health damage attri*buted to the production process. To make these provisions stick, the law excludes the possibility *of bringing any disputes before* foreign courts.

The Yugoslav officials have shown great patience, and spared no time, in explaining the provisions of their laws. But when it came to the practical application of these laws, the furthest a high official would go was an admission that mistakes in the interpretation of these laws were made both by foreign parties and by the Yugoslavs. It was not difficult to guess that this view was not shared by all the Yugoslav officials present at the meeting. There seems to be a certain disagreement on the best tactics between those who realise that a harsh treatment of the suppliers is not likely to secure their full co-operation and those who would interpret them according to a hard-line ideology.

The clearest evidence of the extremely hard line taken by Yugoslavia on the transfer of technology issue is the Bill for the Revision of the Yugoslav Patent Trademark, Model and Design law. If adopted, the law would practically terminate conventional patent protection in Yugoslavia. The *project* is not new and had several set-backs in the past, but the new Director of the Yugoslav Patent Office, *Professor Dragutin Boskovic*, told me that he expects it to be on the statute book before the year is out. The Bill has been vigorously opposed by the former director of the *Patent* Office, Professor Stojan Prednar and his removal may well be a sign that the opponents *of the Bill are fighting a losing* battle.

If enacted, it would give Yugoslav authorities new powers to erode patent protection. The Patent Office would not be empowered to grant a *"licence of right,"* concerning one single patent and benefiting one single Yugoslav enterprise. The grant would be made on the grounds of public interest.

Even more radical is the proposal that the revised patent law should give the federal government, or one of its agencies, the power to grant open licences. These would be called *"official licences"* and would cover a group of patents concerning a certain product or possibly an entire branch of industry. Such a group licence would open to any Yugoslav enterprise the possibility of exploiting all relevant patents. As such an official licence could be granted whenever "the general interest of the economy" required, there would be practically no limit to the powers of the authorities to suspend patent protection in widely defined branches of industry.

In every case the Yugoslav enterprise authorised to exploit a patent under a "licence of right" or several patents under an "official licence" would be supposed to pay the owner of the patent an agreed share in the profits made by the exploitation of the patent. If no agreement could be reached, Yugoslav courts would determine the share of profit which the patent owner ought to get. Yugoslav courts could also stop the exploitation of the licence on the grounds that it resulted in "unfair competition." But one can assume that competition would not be found "unfair" if it led to a replacement of imports by domestic production or to penetration of foreign markets.

A system of general open licences of the Yugoslav type, if adopted by the more advanced developing countries, could also lead to serious reper*cussions* in the industrialised countries. Medium-size and small Western companies would find it even more difficult to *compete with the industry of* these cheap-labour countries if they had access to patents which the Western companies were not allowed to infringe.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. *The Board meetings* are mainly for the purpose of considering dividends and official indications are not always avail*able whether dividends* concerned are interims or finals. The sub-divisions shown below are based mainly on last year's time-table.

TODAY AUGUST 13

COMPANY MEETING—
Rexmore, Atlantic Tower Hotel, Liverpool, 12

COMPANY MEETINGS—
Finals:
AGB Research
Caledonian Trust
Impala Platinum
Press Tools
Sunley (Bernard) Inv. Trust
Vibroplant
Interims:
Benford Concrete Machinery
Broadstone Inv. Trust
Manchester Ship Canal
Olives Paper Mill
Rea Bros.
Squirrel Horn

DIVIDEND & INTEREST PAYMENTS—
Archimedes Inv. Tst. Inc. 2p
Charter Consd. Reg. 5.6p. Br. 5.6p
Elec. and Gen. Inv. 1.20p
Kitchen (Robert) Taylor 1.5p
Lloyd (F. H.) 4.4728p
M. and G. European and Gen. Fund Inc. 0.578p
Raeburn Inv. Tst. 1.45p
Std. Chartered Bk. Fltg.-Rate Cap. Nts. 1990 US$ 58.13

TOMORROW AUGUST 14

COMPANY MEETINGS—
Leech (William), Dobson Room, Royal Station Hotel, Newcastle, 12
Racal Elecs., Charing Cross Hotel, Strand, WC, 11.45
Standard Fireworks, Standard House, Half Moon Street, Huddersfield, 12

BOARD MEETINGS—
Finals:
Abercom
Gresham Inv. Trust
Group Investors
Letraset Intnl.
McKay Secs.
Interims:
Commercial Union Assurance
Davis and Metcalfe
Morris and Blakey Wall Papers
Phillips' Lamps
Smith and Nephew
Stanley (A. G.)

DIVIDEND & INTEREST PAYMENTS—
Brook Street Bureau 2.7228p
Calcutta Elec. Supply Pf. 5pc
Chloride Grp. 4.6p. 5pcPf. 2.5pc
Jackson (J. and H. B.) 0.65p
Moran (Christopher) 2.8pc
Reed Intnl. 5p
Seenie 2.55p
Whitecroft 5.2p. 4.1pcPf. 2.05pc

WEDNESDAY AUGUST 15

COMPANY MEETINGS—
ICP, Metropole Hotel, Birmingham, 12
Turnbull Scott, Ironmongers Hall, Barbican, EC, 12
Wilson Bros, Heathrow Hotel, Bath Road, Middlesex, 3

BOARD MEETINGS—
Finals:
Dale Electric
Garford-Lilley
Reliance Knitwear
Webb (Joseph)
Interims:
Britannic Assurance
British Aluminium
Carrington Viyella
Dreamland Electrical Appliances
Ferde
General Accident
Tube Invs.
Turner (W. and E.)
Unilever
Woolworth (F. W.)

DIVIDEND & INTEREST PAYMENTS—
Abott Labs. 25cts.
Aberdeen Tst. 4ocDb. 2pc
Anderson Strathclyde Ln. 3¾pc
Bank Leumi (UK) 2.8p
Bibby and Baron, proposed repayment of 5¾pcDb. 1984/89, at par plus accrued interest
Borg-Warner 50cts.
Bristol 13pc Red. 1985 6½pc
Brunswick Corp. 20cts.
Burmah Oil Ln. 3½pc
Chase Manhattan 80cts.
Colgate Palmolive 27cts.
[illegible] 1.225p
Fishguard and Rosslare Rlys. Hrbrs. [illegible] 1.225p
Greater London 13½pc 1984 6¾pc 6½pc
[illegible]
Jamaica 6pc 1977-82 3pc
Kenya 5pc 1978-82 2½pc
Liverpool Daily Post and Echo 5pcPf. 1.75pc
M. and G. Sec. Gen. Tst. Inc. 3.15p
[illegible]
Merrill Lynch 24cts.
[illegible] 5.051p
[illegible]
Riverview Rubber Ests. Berhad 0.7999p
[illegible]
[illegible] Hldgs. Ln. 3¾pc
[illegible]
Reconstruction and Dev. 5pc 1977-82
[illegible]
Southwark 12pc Red. 1987 6¼pc
[illegible]
Treasury 3¾pc 1979-81 1¾pc. 3pc 1982
[illegible]
Turnbull Scott Shipping Ord. A 2p
Warner Communications 25cts.
Wilson (Andrew) 5¾pcPf. 1.925pc
Zambia Copper 7½cts.

THURSDAY AUGUST 16

COMPANY MEETINGS—
Davis (Godfrey), Bushey House, Watford, 12
Greene King, The Theatre Royal, Westgate, St Edmunds, Suffolk, 12
Harris (Philip), Pepns Hall Hotel, Sutton Coldfield, 12
Moss [illegible]
Scottish and Newcastle Brews., King James Hotel, Edinburgh, 12

BOARD MEETINGS—
[illegible]
Interims:
[illegible]

DIVIDEND & INTEREST PAYMENTS—
[illegible]

FRIDAY AUGUST 17

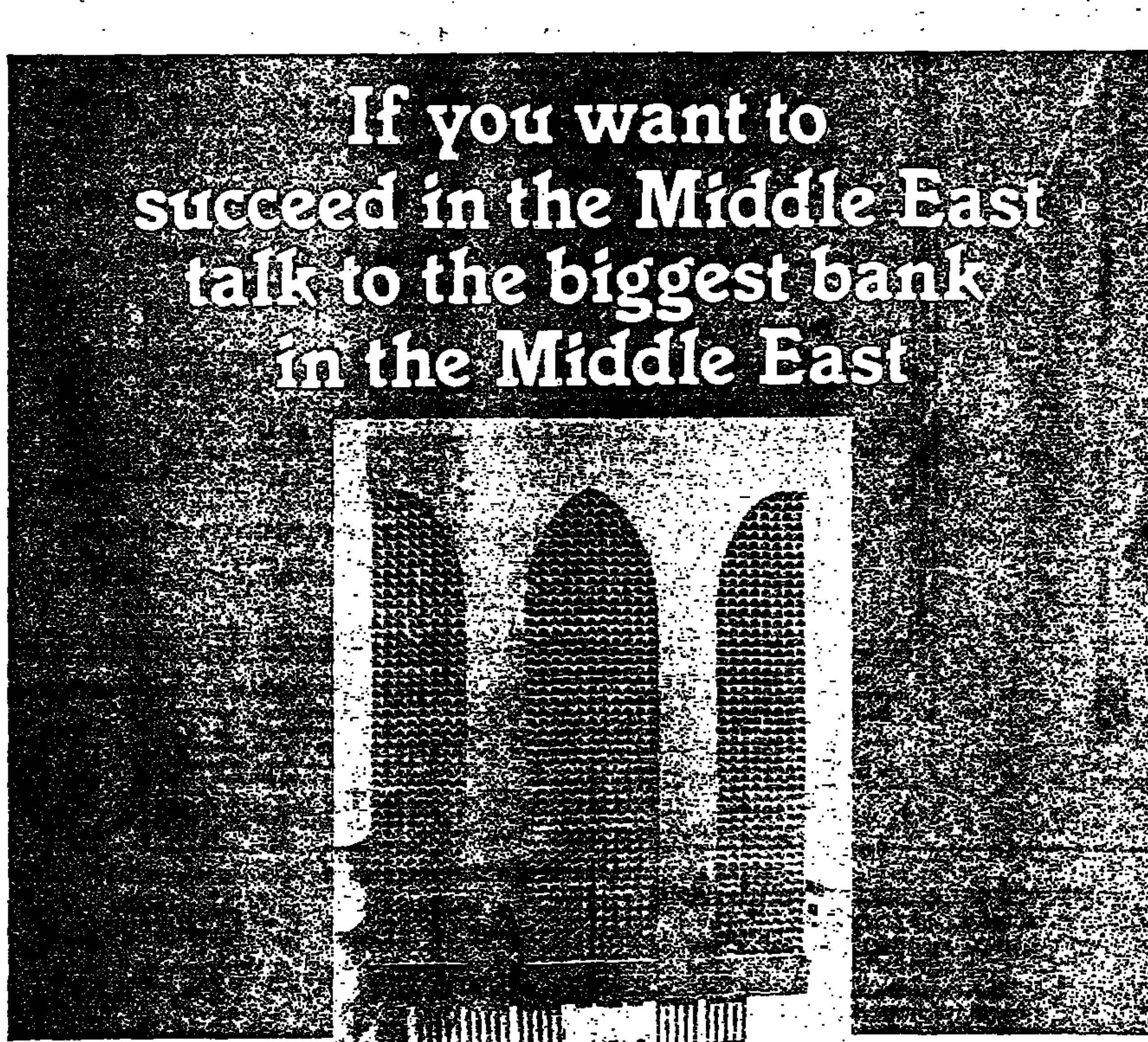
COMPANY MEETINGS—
[illegible]
Sturla, Grosvenor House Hotel, Park Lane, W, 12

BOARD MEETINGS—
[illegible]

DIVIDEND & INTEREST PAYMENTS—
[illegible]
Whittey 7p. 5 and W 1.35p

SATURDAY AUGUST 18

DIVIDEND & INTEREST PAYMENTS—
Strathclyde Var. Rate Red. 1983 £7.0938. Var. Rate Red. 1983 £7.0938



COMPANY NOTICES

PUBLIC NOTICES

CLUBS

ART GALLERIES

EXHIBITIONS

TRAVEL

HOLIDAY ACCOMMODATION

Stronger pound 'will hit jobs'

By James McDonald

THE POUND is over-valued by as much as 20 per cent against the U.S. dollar.

As a result, increasing import penetration and deteriorating export markets will have a severe effect on industrial profitability "and firms will be forced to reduce numbers employed, with unemployment reaching nearly 2m by the end of 1980."

This is the forecast by Charterhouse, the investment and banking group, in its latest quarterly economic review. It says that Britain's oil and gas reserves are likely to meet the nation's requirements well into the 21st century "but this will result in a continued over-valuation of the pound and a worsening situation for Britain's manufacturing industry."

Short-term economies in oil consumption will not solve the world's oil problem, the review declares, and the shortage and above-average price rises for oil will persist through the 1980s.

"There can be no massive reduction in the demand for oil over the next 20 years since it will take at least 10 years for a new generation of cars to replace present stock and 20 years for new sources of power to displace dependence on oil."

The British Government is not likely to be deflected from its present policies for some time, the review adds, so "further substantial cuts in personal income tax can be expected in the summer of 1980, following wide ranging cuts in public sector spending and sale of public equity, which will help cut the money supply growth."

Train phone-in

BRITISH RAIL starts a telephone service today to advise commuters of evening rush-hour cancellations from Liverpool Street and Fenchurch Street stations, London. A recorded message on 01-246 8080 from 3 pm, Monday to Friday, will give expected changes.

هكذا من الأصل

Is this the best way to lobby Government?

No doubt there have been times when you've thought the bastions of the State to be impregnable, both at national and local levels.

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And, most helpful of all, it provides you with a detailed checklist from which you can begin to identify all those occasions when your company could benefit from a corporate advertising campaign: such as when you want Parliamentary approval for a development project, or planning permission for a factory extension.

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NATURE OF BUSINESS ______________

5

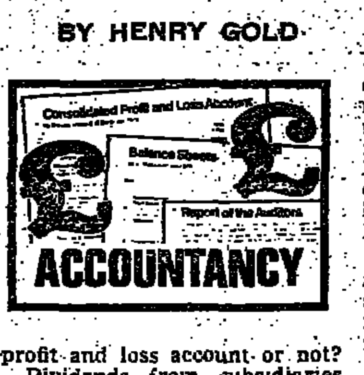
FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

Will 'apathetic' industry squeal when EEC standards become law?

BY HENRY GOLD



AFTER years of gestation the fruits of the work done in Brussels on financial reporting are about to start finding their way into British law.

Significant changes to established British practice, covering such matters as an expansion of financial disclosures in annual and interim reports and the definition of a group for consolidation purposes (and therefore the make-up of group profits and net equity to be reported) may lie in store. Moreover, new uncertainties in the definition of distributable profits and in the interpretation of many of the proposed rules can be expected.

These matters are dealt with in a series of EEC Directives. They include the Second Directive, which is reflected in the present British Companies Bill, and the Fourth Directive, on which a consultative document from the Department of Trade is expected very shortly, with legislation to follow next year.

Subsequent implementation

There is also the Seventh Directive, currently nearing crystalisation prior to approval by member states and subsequent implementation. And a proposed Directive on interim financial reporting is also being developed.

Yet, despite the relevance of these matters to the whole fabric of communication between preparers and users of financial information, it seems as if commerce and industry in Britain has played little active part in their development. The EEC Commission in Brussels relies for much of its advice on the technical financial reporting and accounting knowledge of the Accountants Study Group, British representation on which is drawn from the practising side of the accounting profession. But those responsible for negotiating the British position in Brussels seem to have had little close dialogue with industry.

A parallel to the apparent apathy that exists on this subject may be found in the UK in the experience of the Accounting Standards Committee. According to the chairman of one public company, the average exposure draft attracts little comment from industry. On the other hand, if there has been apathy at the exposure stage, this has not been so once the standard has been published, says the same chairman. "Difficulties over the implementation of standards once they have been issued have provided a constant source of copy for the professional press throughout the present decade." Of course, on occasions the reverberations have spread much more widely. This is a sad precedent for what may overtake us once EEC directives pass into our law. It is impossible and fruitless to apportion blame for this state of affairs. However, there is a need to bring about more active and frequent communication between the preparers and users of financial statements and the legislators in future.

It is worth examining some of the areas which may at present be expected to cause problems.

The Companies Bill contains an important section on distributable profits. The proposed law makes a crucial distinction between realised and unrealised profits and losses in this connection, effectively prohibiting distribution from unrealised profits.

Existing case law, by contrast, allows much greater flexibility. In making the distinction the Bill actually anticipates certain parts of the Fourth Directive of the EEC; the Second Directive, which in many other ways parallels the Companies Bill, itself did not make this distinction.

At first blush, the meaning of "realised" and "unrealised" seems fairly obvious. It is only when certain accounting practices are examined against the notion of realisation that difficulties of definition appear.

Companies engaged in long-term contracting normally take profit in their accounts during the term of the contract, rather than await completion. Are these profits realised at the moment they are taken in the profit and loss account or not?

Dividends from subsidiaries and associates often form a considerable part of parent company income for distribution purposes. When are such dividends realised? On encashment or on declaration?

Uncompleted transactions

Profits and losses on translation into sterling of uncompleted transactions denominated in foreign currency may form a material part of the company's overall income. When does realisation of such items take place? These and other matters will cause practical problems for a number of companies. Guidance may be expected from the accounting profession, but the final test may take place in the courts.

The Fourth Directive contains various forms of prescriptive layouts for company accounts. These involve a good deal more detail than most British companies presently consider necessary. These same layouts are likely to be copied for consolidated financial statements under the Seventh Directive. Under the Fourth Directive, the power exists for member States to remove these publication, layout and attendant audit requirements, in so far as subsidiary companies are concerned, until after the Seventh Directive is concluded. One of several provisos is that parent companies guarantee the debts of such subsidiaries, so that these creditors are not harmed by the absence of such financial information for those subsidiaries.

Many British companies might welcome the flexibility and cost savings that this temporary concession would bring and, even more, its permanent establishment, particularly if the layout requirements of the Seventh Directive for consolidations could also be modified and made less elaborate than those in the Fourth Directive.

This would mean that the financial statements of subsidiaries might, with the agreement of their shareholders, only need to be prepared for purposes of consolidation in what ever way is prescribed under the Seventh Directive. There does not seem to be any present indication, however, that this concession will be taken up in Britain.

More general concessions in favour of a less rigid approach to layout would also undoubtedly be welcome to all companies. It is interesting that the Dutch proposals for implementation of the Fourth Directive in the Netherlands give effect to this.

The proposed Seventh Directive introduces some wholly new notions on the scope of consolidation. Instead of the familiar quantitative tests of ownership and control surrounding the definition of subsidiary companies, the vaguer concepts of dominance and dependence are uppermost, with percentage ownership taking a secondary place. Dominant and dependent undertakings would constitute a group "if the dominant undertaking exercises in practice its dominant influence to the effect that all such undertakings are managed on a unified basis by the dominant undertaking."

This text has been somewhat altered in a more recent suggestion by Commission staff but the precise meaning of some of the terms used is still unclear. It could, however, have the effect that U.S. subsidiaries of British parents, for example, which by U.S. law must not operate under what could be described as dominant foreign influence, should be treated as associates and not as part of the consolidated group.

If a subsidiary situated in the European Community itself has subsidiaries, the proposed Seventh Directive requires consolidated accounts to be prepared for such sub-groups. The purpose of this requirement is not clear, nor yet are the exemption provisions which include the necessity for guarantee of the sub-group's debts by the parent. There does not seem to be any usefulness to the creditor of a subsidiary in having sub-group consolidated accounts, perhaps particularly in the absence of a guarantee by the sub-group's parent.

Turnover, the average number of persons employed and research and development activities are to be broken down as between the European Community and the rest of the world, for groups of companies. This disclosure is likely to have little relevance to the interests of users of financial statements.

Little relevance

So far as the proposal for interim financial reporting is concerned, it deals largely with disclosure matters. Some of the items listed for disclosure would be of little if any relevance for many companies (e.g., state of the order book, the general situation (sic) regarding stocks of finished products) yet are regarded as necessary "to enable an investor to make an informed appraisal of the company's business." Member states would have the power to adapt the requirements, but the selection by the authorities of what is relevant to particular sectors of industry and commerce could be an almost impossible burden.

These examples indicate some of the problems which lie ahead. A further disturbing feature of some of the proposals is their incompatibility with reporting and accounting procedures in the United States. Harmonisation within the Community could therefore lead to a kind of institutionalised disharmony in the wider international scene.

Greater participation by companies in the formative period prior to enactment must surely be essential. The time is not yet too late.

Henry Gold is head of accounting research at Shell

EXECUTIVE HEALTH — BY DR. DAVID CARRICK

How to avoid jet-lag

LIKE every living creature in the Universe, man is basically rhythmical. We have our seasons and our days and nights during which we are in a state of alertness or sleep. Only in dire emergencies do animals and plants vary their patterns, for disaster may follow. An oak that comes into leaf in December is unlikely to survive; and a bat that tries hunting by day will not be happy for long.

It is hardly surprising that man runs into trouble when he distorts his circadian rhythm by indulging in great journeys over many time-zones for the sake of doubtful gain. Most people spend some 16 hours awake and up to eight hours asleep. During the latter state, as no work is done, fuel and fluids are not taken on, and many of the significant stimuli to the alert state are ignored.

Autonomic systems continue to function, but even they are of a slower pattern. Digestion is slowed, as are all other vegetative functions including breathing, which takes on a slower, deeper form. Equally, the body-temperature falls as does the blood-pressure. In brief, nocturnal metabolism differs from diurnal and can be roughly compared with an engine idling instead of running on full throttle.

Hardly surprising, therefore, is it that a man who journies by jet at great speeds over huge distances from west to east or vice versa, crossing many time zones, may be troubled; for the time will come when he attempts to obtain high power from an idling engine. To expect his mentality to be independent of his general metabolism would be as realistic as hoping for abundant crops to be gathered from rootless wheat.

The problem of "jet-lag" is surely known to most intelligent beings. Yet foolhardy individuals who fancy themselves immune to the penalties, or selfishly ignorant seniors who carelessly dispatch their people, and are willing to risk their health and prospects for the sake of myopic cupidity, indulge in this folly.

Recently I saw a troubled man who, having spent some 25 hours flying from the Far East to Britain, found himself in serious trouble because he not only forgot an important appointment, but actually retained no memory or understanding of the instructions he had written to himself in his diary before his enforced jet-slog around the world.

The time it takes for the "body-clock" to resynchronise varies with distances and speeds, and also with the age and state of health of the individual. The young and very fit executive may recover fully within 48 hours. Older people may require a week or more; and, likewise, the infirm who may also be affected in other ways. A diabetic, for example, may well find that his daily requirements of insulin differ from normal and also may have problems concerning times of administration.

As nocturnal and diurnal metabolic processes differ, one would have thought that the scientists would have come up with foolproof ways of determining the time when normality has been reached by the estimation of excreted metabolites which must relate to the different rates of metabolism.

Empirical

As it is, attempts to meet the problem are empirical and arbitrary. Clinical observation is all very well, but certain circumstances defeat any attempt in this direction. After a period such as that occupied by flying from, say, the UK to Japan and back again, all within a few days, signs and symptoms may be very apparent. Memory lapses, confusion and disorientation may lead to acts as stupid as they are dangerous.

Usually the sufferer only becomes aware of his unusual behaviour on returning home where he is able to notice misdirections because he sees familar landmarks. On the outward journey, however, things are different. In a foreign land, inhabited by strange people with alien ways and curious currencies, any confusion may well be accepted because of the unusual circumstances and strange context. But the results of an executive's unrecognised bizarre behaviour may take a long time to show themselves in inexplicable trade-reverses.

Certain methods for avoiding the phenomenon have been advanced. In long East to West or vice versa trips, several breaks on the way for intervals of a few days is probably the best method. Other less acceptable ideas include: the "pre-flight adaption method" whereby the individual's night-day patterns are altered gradually. Thus, if proposing to fly in an easterly direction, the man has to go to bed one hour earlier each night and also set his alarm for an earlier hour on the morrow, the number of hours being calculated according to the number of time-zones to be crossed. If the flight is to be westerly, then the method is reversed. Frankly I think that, as a formula for ensuring domestic disaster, it cannot be faulted.

Another way suggested is to fly to the target several days early and thus adapt: but I think that both wife and boss might well be a little unhappy about this. No, the first method is surely the best, and clever management can arrange matters so that useful work can be performed by the traveller during the flight-breaks.

When I wrote on this subject once before, I claimed that birds were not troubled because migration is North/South and South/North. I was slightly in error because I am told that some birds bend the rule. The Arctic tern, for example, summers in the Arctic and winters in the Antarctic. Its route is remarkable and covers no fewer than 11,250 miles and involves crossing five time-zones. But birds are not stupid. Frequent stops on the way solve any problem. And birds have had some 70m years to straighten themselves out: and, presumably, during migration, wives and boss-birds are there too, so recrimination would be superfluous.

Building and Civil Engineering

New hospital in Salford

NORTH WESTERN Regional Health Authority has awarded a £11.7m contract to Henry Boot Construction as part of the £18m first phase of the new Hope Hospital, Salford.

Phase 1 is the first major component of a long-term project to replace the existing Victorian hospital in six major related building phases.

Work will start in September on this five-storey 22,765 sq m development, comprising a four-storey building fronted with a two-storey apron and a fifth floor over the hospital main street.

There will also be a link corridor to the existing hospital buildings, part of which will be two storeys high.

With over 1,000 individual rooms in the complex, accommodation will be broadly distributed between the five major levels.

Construction will include reinforced concrete foundations, structural steel frame, pre-cast concrete floors and roof units, and brick cladding. The roof top service zone will be clad in specially designed storey-high pre-cast concrete panels.

The contract also includes ancillary siteworks, service buildings, road system and car parks, capable of sustaining the existing adjacent 600 bed acute illness ward.

Motorway award

DEPARTMENT of Transport has accepted the £7m-plus tender of John Laing Construction to build another section of the M25 motorway.

Contract provides for 2.21 miles of dual three-lane carriageway road and is the second of three contracts for the M25 between A13 and A12. Work on the remaining section, northwards to the roundabout at Brook Street on the A12 is expected to start later this year.

The Department's Eastern Road Construction Unit has overall responsibility for the scheme which has been prepared by Mott Hay and Anderson.

Egyptian glass plant

MIDDLE EAST Glass Manufacturing Company of Egypt has awarded a contract for the construction of a new glass manufacturing plant valued at approximately £6.3m to George Wimpey (Egypt).

The project, situated in a suburb of Cairo, covers the complete processing facility in the 2-storey production building (180 metres long by 20 metres wide by 22 metres high). This building will contain furnaces, forming machines, sand beneficiation plant, electric lehrs, handling and gauging machines, transport and decorating machinery. Construction of the production building is to be in structural steelwork with suspended reinforced floor slabs.

Factory-finished ribbed steel sheeting forms the cladding to side walls and roof with ventilation by controlled louvre openings. Flooring in the furnace end, where concrete is impracticable, is achieved by open-mesh walkways.

Other amenities include a two-storey administration block with all associated finishes, compressor house, electric substation, pumphouse, LPG plant, batching plant and water storage facilities. Also included are all general siteworks, hard standing and site services.

Work has just commenced on site with bulk earthworks and is programmed for completion in two years.

Lovell gets £3m London contracts

CENTRE POINT and Berkeley Square in London are the locations for two management fee projects by Lovell Construction with a total value of £3m.

Fifteen floors are being fitted out at Centre Point for the Confederation of British Industries. Former residence of Clive of India, 45, Berkeley Square, is being refurbished as the first stage of a redevelopment scheme.

Involvement of the contractor as an equal member of the construction team right from the start, says the company, enables optimum co-ordination of the four key areas: design, cost control, management and construction.

New store by Laing

TO BE built in the heart of Swansea under a £1m contract awarded to John Laing by Laing Properties is a new department store at St. Mary's Square.

Work has started on the site where a three-storey "development shell" with basement is to take shape over the coming 15 months. The contract does not include finishings, shop fittings and services to the buildings.

Covering an area of about 1,600 square metres, the building will be constructed of reinforced concrete frame on mass concrete foundations, clad in facing brickwork, with anodised aluminium windows. It will provide a gross floor area of about 5,900 square metres.

Roof construction will be part flat and part pitched, including dormer windows, and a feature of the building will be a covered arcade.

Several awards to Monk

VARIOUS building and civil engineering contracts from sites between Reading and Newcastle, totalling just under £4.4m, have been awarded to A. Monk and Company.

At Reading, Digital Equipment Co. has accepted a £579,035 tender for site preparatory services, roads, car parks and paving, while at Newcastle, Monk is remodelling two floors of the Eldon Centre for the NEEB. Two mezzanine floors are to be constructed and the £337,733 project includes complete fitting out, some brick and blockwork plus a small amount of demolition.

In N. Wales a viscose factory is to be built for Courtaulds Engineering at its plant at Bagillt, Clwd. The £1.1m contract is for a multi-storey main process plant building in structural steel frame and brick with asbestos wall sheeting and metal deck roofing.

Another project is at Seal Sands, Cleveland for the design and construction of an extension to workshop and garage facilities for Phillips Petroleum Company. The £288,903 contract calls for metal cladding and brick dwarf walls with internal blockwork offices and staff services.

At Warrington, the North West Gas division of BGC has accepted a £971,000 tender for the construction at Hawleys Lane of a new district depot and office accommodation. The latter is a steel framed structure with external cladding and felt covered roof cladding.

Among civil engineering projects are a sewage treatment works for Anglia Water Authority. Valued at £878,373 the contract is at Eye in Suffolk and calls for reinforced concrete construction of inlet works, grit trap, oxidation ditch and three settling tanks.

Finally at Radcliffe, a contract for £234,703 has been awarded for the arch encasement and deck reconstruction of an underline bridge for the London Midland Region of BR. The bridge is the River Trent span of Radcliffe Viaduct and will be constructed in concrete.

Retail store in Cardiff

TWO-STOREY retail store shell work in Hills Street, Hayes, Cardiff, has gone to Sir Robert McAlpine under the terms of a £1.1m contract just awarded by Capital and Counties Property Company.

Work on a restricted site begins in September. The building will be a reinforced concrete frame on mass concrete foundations, brick faced externally and with anodised aluminium windows. It will measure 73 metres by 60 metres on plan and have a floor area of 7,000 square metres. Completion is programmed for late 1980.

Architect is the Elsom Pack Roberts Partnership.

£¾m airport contract

A CONTRACT valued at over £750,000 has been won by Mears Contractors for runway and taxiway work at Stansted Airport.

Awarded by Redland Aggregates, main contractor for the British Airport Authority, the contract is due for completion in under six months. Much of the work is to be carried out at night.

Mears will be carrying out excavation work for the provision of service ducts for a new runway lighting system.

Water supplies and drainage

TWO WATER supply projects in the United Arab Emirates are to be supervised by Balfours Consulting Engineers.

One of the schemes, the Al Hayir Wellfield, is to supplement the existing potable water supplies and Balfour is to review present facilities, design and supervise construction of abstraction boreholes, well heads, pumping plant and associated works.

The other scheme calls for extensions to the water supply network in Al Ain as well as repairs and replacements. Balfour says the project is likely to involve some 500 km of ductile iron pipe with many house connections and associated polythene pipework. Cost of the work is estimated at Dh 180m (about £24m).

Balfours is also watching over two contracts in connection with the Al Ain main drainage project. In the central area and the village of Zakher, about 100 km of vitrified clay and ductile iron pipe are to be laid. Other work will involve 2,500 house connections, four sewage pumping stations, ventilation systems and standby power generation plant. The contractor is Consolidated Contractors International Company. Value of the contract is Dh 111m (about £15m).

In the Al Ain military area about 26 km of vitrified clay pipe are to be laid, existing drainage improved and connections made to military properties. Value of this contract is Dh 21m (about £3m). The contractor is Sogex International.

Fairclough wins £7m housing

NEW HOUSING contracts in London totalling over £7m have been awarded to Fairclough Building.

Largest contract is worth more than £3.6m and has been placed by the GLC for the construction of 104 houses and 56 flats at Thamesmead. The homes, designed by GLC architects, are due for completion late in 1981.

A further GLC contract, worth £450,000, began in June this year. This is for the completion of 173 homes at Ewart Road, Lewisham, where the former main contractor went into receivership.

Work for the London Borough of Lewisham is valued at more than £1.8m for 106 traditional homes at Ladywell Lodge South, scheduled for completion in late summer 1980. A community centre is currently under construction on an adjacent site under a £300,000 contract for the company.

Also for this council, 45 homes are being built at Trewsbury Road, SE26, under a contract worth nearly £800,000. Work started on site last month and is due for completion in October 1980.

Walled-in village

A COMPLETELY self-contained village in Riyadh, Saudi Arabia, will be built by Victor System Homes under a contract worth about £1m awarded by Modern Arab Contractor.

Complex will comprise family houses, a club room, swimming pool, electrical generators, water pressurisation plant and a sewage treatment plant and the entire village will be landscaped and contained within a perimeter wall.

Company is responsible for the entire design and layout of the village, all architectural, mechanical, electrical and main services.

Big foundry project

CONTRACT WORK worth £4.6m for civil engineering and building at the aluminium foundry project for West Yorkshire Foundries, Leeds, has been awarded to Shepherd Construction by B.L. Components.

This is part of the £24.7m project to construct a major new aluminium foundry which, on completion, will be one of the most efficient and competitive units of a comparable size in the world, announces the company.

Measuring about 300 metres by 105 metres the foundry will have an initial annual capacity of about 13,000 tonnes of specialised automotive castings, such as cylinder heads, blocks and transmission components.

Work includes foundry buildings, foundations, office and amenity building, control buildings and sub-stations, building works in connection with mechanical pipework, electrical and process plant services and external works.

Main single-storey foundry structure will have a steel frame and a metal decking roof. The sides will also be clad in metal with the exception of the lower two metres which will be of facing brick.

A two-storey office and amenities block, which will also house laboratories, is to be built along one side of the foundry. The scheme also includes the construction of a weighbridge, gatehouse and extensive car parking area.

£7m Kyle Stewart awards

MIDLANDS Postal Board has awarded a £5m job for the construction of a new head post office at Barrack Road, Northampton, to Kyle Stewart.

It involves a reinforced concrete building on piled foundations approximately 113 metres by 62 metres on plan and 18.5 metres high to main roof level with seven basic levels.

Elevations are mainly clad in brickwork with some precast concrete cladding and ribbon glazing in shallow panes. Scheme includes all services, goods lifts, kitchen equipment and postal mechanisation and access roads, hardstandings, retaining walls, mains services and drainage. Work will be completed in the latter part of 1981.

A further win is the contract for the construction of an office block at 170-194, Borough High Street, London, for Hollyside. This £2m award provides for the construction of a three-storey in situ reinforced concrete framed building, on piled foundations, with lightweight structural steel plant room at roof level. Brick clad with aluminium windows, the building and its drainage, car parking and landscaping works all come under the award.

Mobile generating sets

PLANT HIRE operators and those working in the construction industry might well be able to make use of a new series of trolley mounted, single phase generating sets introduced by Jonlay Engineering Co., Uppingham, Leics. (057282 2831).

Driving power is provided from the Lister ST range of diesel engines and outputs range from 3.5 KVA to 12.5 kVA.

Generator and engine have anti-vibration mounting to a robust chassis, says Jonlay, with four large diameter wheels and draw bar.

All units are complete with changeover switch, circuit breaker and ample socket outlets.

Exhorting architects to save it

A COMPETITION intended to encourage energy conservation has cash awards totalling more than £5,000 and will be aimed at more than 20,000 architects and students of architecture in the UK announces Thermalite, Station Road, Coleshill, Birmingham (Coleshill 62081).

The Ideas Competition calls for designs for buildings, other than dwellings, based on the latest thermal insulation legislation.

Competitors must prepare designs within certain categories where the buildings' thermal insulation standards for walls, roofs and floors meet the new Part FF of the building Regulations.

IN BRIEF

● Extensions and improvements to the NCB's Daw Mill Colliery at Burton on Trent are worth about £650,000 under a contract awarded to Turriff Construction.

● Costain Construction has won a contract in excess of £1m to extend W. J. Daniel's premises in Pascoed Street, Windsor.

● Clugston Construction will design and construct an office block at Knottingley, West Yorkshire, under a £100,000 contract awarded by Croda Hydrocarbons.

● A Central Lancashire New Town housing contract worth £1.5m has been awarded to Cruden Construction and will form part of the new Ingol Village, north of Preston, providing 145 dwellings. Overall scheme is planned around a new golf course and includes 2,000 houses plus areas of woodland. There will also be a new school and two village centres.

● Burroughs Machines is to build a 70,000 sq ft facility with manufacturing plant, warehousing and offices on Deeside Industrial Park, Clwyd, on a five-acre site which British Steel Corporation is developing in conjunction with the Welsh Development Agency. Builder is Hewgate and the structural cost is put at £1m.

● J. Long and Sons (Bath) has won a £400,000 contract for the construction of a 24-bedroom extension to the south elevation of the Francis Hotel in Queen Square, Bath. Extension will be finished in Ashlar Stone especially quarried by the Bath and Portland Company and the roof is to be of timber with Spanish slates.

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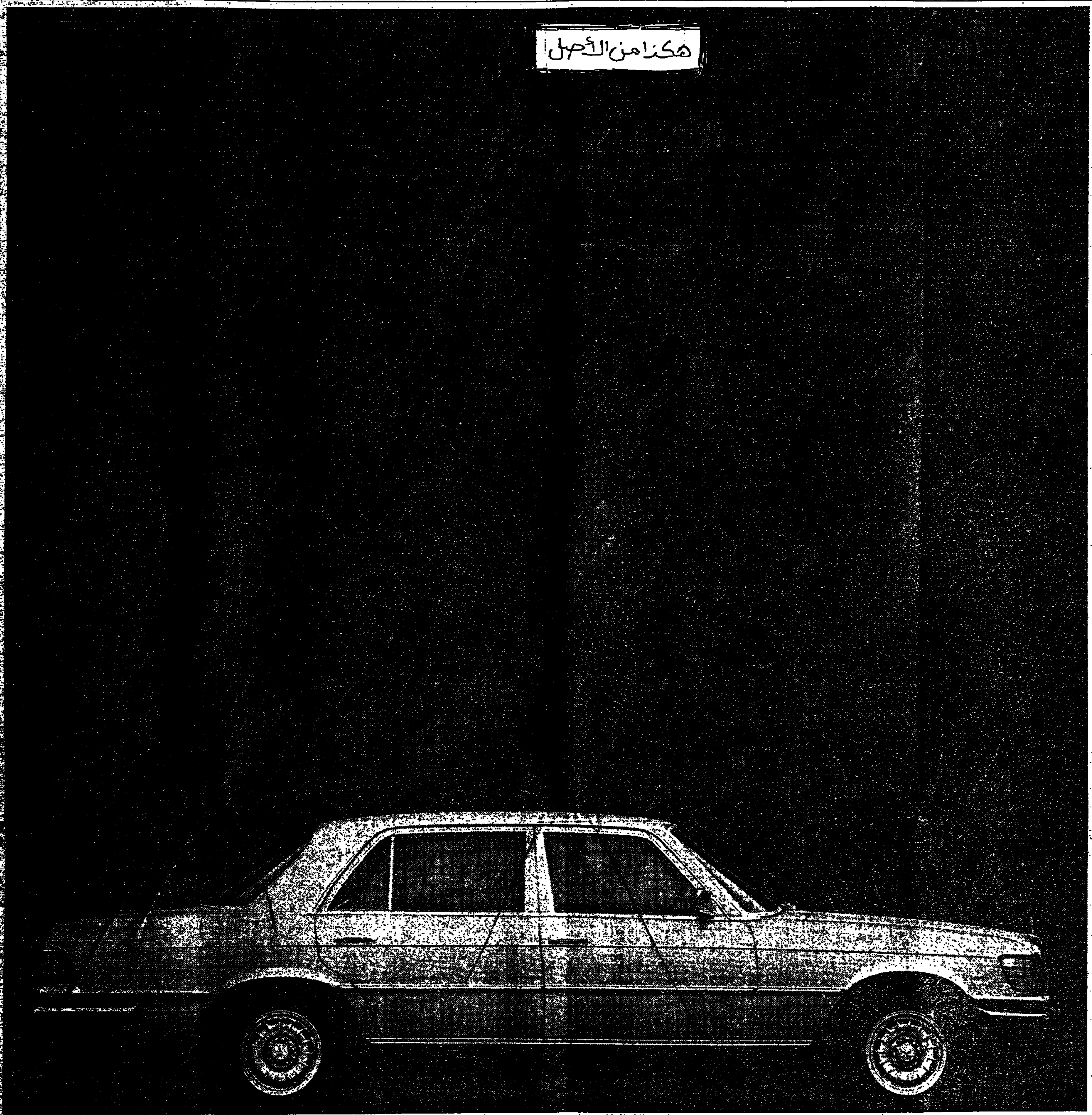

IT WOULDN'T BE SO SAFE IF IT DIDN'T LOOK SO BEAUTIFUL.

Mercedes-Benz

LOMBARD

Case for legal 'black markets'

WHEN I lived with my parents in North West London there was a lady who used to come every week to do the ironing. This lady had all the characteristics of a working-class Tory; and in fact had formerly been one. The person responsible for her conversion was Mr. Henry Brooke as he then was, who was Minister of Housing in the late 1950s. The house she had rented had been affected by the decontrol measures of the 1957 Act. As a result she could no longer live there and had to move to Neasden, with many mutterings against Mr. Brooke, whom she never forgave to the end of her days.

Mrs. Glyde—as I will call her—had a point. It is perfectly true that rent controls are more effective than bombing in destroying rented accommodation. If a properly functioning market in rented accommodation could be recreated, this would do far more to reduce the sustainable unemployment rate than the expensive network of subsidies and public spending which goes by the name of regional policy.

Abolition

The problem is that, once the folly of rent controls has been committed, their abolition does cause a redistribution of income against the tenant. This is not always a redistribution against the poor; but it certainly leads to a disappointment of legitimate expectations, as in the case of Mrs. Glyde who had been paying a pretty nominal rent for decades without any realisation that this was liable to change.

But one can recreate a rental market without these adverse consequences. The sale of council houses to tenants, whatever its other merits and defects, actually reduces the supply of houses to let. The suggestion of Mr. John Stanley, the Minister for Housing and Construction, for short-term agreements under which the landlord would have the certainty of repossession—and the rents would presumably be mutually negotiated—is a step in the right direction. But it is a limited one, applying by definition to new lettings.

Yet there is a way of squaring the circle and introducing a large measure of de facto decontrol, while in fact improving rather than impairing the lot of people in existing controlled tenancies. The principle is the simple one of secondary markets. All that is required is for council—and possibly private—tenants to be able to relet their properties on longer or short leases at free market rents. This reform would release to the market many houses too large or otherwise not really required by council tenants, but clung on to at present because of the high net cost of a move. A secondary market of this kind would also bring down house prices and reduce "key money" in the private rented sector. (The plan is described in my Institute of Economic Affairs Paper, *Participation Without Politics*.)

Accommodation

Secondary transactions do in fact occur, but are stamped on by the strong arm of the law. For instance, a so-called scandal came to light a few years ago in the London borough of Tower Hamlets where immigrant families "desperate for accommodation" were "jumping the housing queue by buying council rent books." One family was reported to have paid £460 for a flat and another £800, in addition to the normal weekly rent which they continued to pay to the Council. The Press report showed a photograph of the eviction of a family who had lived for two years in a flat acquired in this way. They were "being interviewed by a social worker and were now in council care" as a result of entirely sensible action.

The main reform required if such a secondary market is to be legalised is a clear definition of the terms of existing council tenancies. At the moment they have no definite length of life and their disposition on the departure of a tenant (whether to a member of the previous family or not) is within the discretion of the local council. Treat the council tenant—and all occupants of controlled tenancies—as fully responsible adults, enjoying the right not merely to paint their garden walls as they wish, but to transfer their rights on the market, and many of our problems would disappear.

This is not a miracle solution, but simply an application of the principle that if we are landed with below-market prices for any commodity, which then has to be rationed by coupon, queue, or official edict, the evils can be reduced by allowing a secondary free market to develop in the rights to the product in question. Thus if the energy fanatics had their way and we had to have petrol rationing, much the most efficient and equitable system would be to legalise what will otherwise be a flourishing black market in petrol coupons. But the place to start with such a legalised secondary market is the rented sector.

Continuity, redundancy and ambiguity

THE WEEK IN THE COURTS
BY JUSTINIAN

IT IS a commonplace for a worker engaged on a particular job over a number of years to be told that his employer's business is being transferred and that for the future some one else will be paying him for performing precisely the same job. The question is whether the two periods of employment are regarded as continuous employment so as to confer a right to redundancy payment under the Redundancy Payments Act 1965 for the whole time if and when the worker is dismissed by the later employer for redundancy.

Four years ago the Court of Appeal held that the presumption of continuity of employment laid down in the Act was not confined to the case where there had been only one employer, but applied where there had been a change of employer with no change in job.

In *Evenden v Guildford City Association Football Club Ltd.** the Court, headed by Lord Denning, went on to say that even if that was not the right construction of the Act, since the employer had told the worker that his employment would be regarded as unbroken on the transfer of the business to a new employer, the club could not go back on that agreement and had to pay redundancy at the rate for the whole period of the two employments. On both counts the House of Lords in a recent appeal raising the same issues has resoundingly reversed the earlier decision. (*Secretary of State for Employment v Globe Elastic Thread Co. Ltd.*)

In Evenden's case a football club and its supporters' club were separate organisations. The worker was employed by the supporters' club as a groundsman from August, 1955, to November, 1968 when he was transferred to do the same job by the football club. At the time of the transfer, all concerned agreed that the worker's service should be regarded as continuous.

In March, 1974, the worker was dismissed on the demise of the football club. He claimed redundancy payments of £459 in respect of 19 years' service but the now defunct National Industrial Relations Court gave him only £127, based on six years' service.

A distinctive feature of the legislation is that while any employer can make any arrangement he likes with his workers for paying them compensation on becoming redundant, the Act allows payment only under strict conditions. Since the Minister is liable to make a rebate to the employer of half of any redundancy payment (and the whole amount if the employer goes into liquidation), that liability is conditional upon the employer being liable to pay, and having paid, a redundancy payment under the Act.

Continuous employment is not defined in the Act, but section 9 (2) provides that "a person's employment during any period shall, unless the contrary is proved, be presumed to have been continuous." The conception of continuity, it was argued, was capable of including not only the case of a man's employment with the employer who has terminated his employment, but also the case where a man has been successively employed by more than one employer.

New decision

Having reviewed the scheme of the Act with reference to various of its provisions, Lord Wilberforce stated that argument was "unmaintainable and contrary to the whole scheme of the Act." It was refuted unambiguously by the very first section which states: "Where . . . an employee who has been continuously employed for the requisite period (a) is dismissed by his employer by reason of redundancy . . . then . . . the employer shall be liable to pay to him a sum of money" calculated in accordance with the Act.

Lord Wilberforce observed that the word "employed" could have no other meaning in that context other than "employed by the dismissing employer," and "continuously" could only mean "continuously employed by that employer." Section 9(2) applies only to the case of one employer, that is the dismissing employer, and does no more than to relieve the employee of the necessity of proving continuity, that is, that no break in the employment has occurred. The presumption of continuity was necessary, for example, due to inadequate access to the employer's records.

What then about the agreement between the employer and employee that the change in paymaster would not break the continuity of the employment? No doubt there would be a binding contract with the employee that the worker would retain the benefit of his previous employment, for which he could bring an action for damages. This factor had led the lower courts to avoid the multiplicity of actions that would result if employees had to sue in contract in the County Court as well as claim redundancy payments in the Industrial Tribunals. But such a contract could not be converted into a legal weapon to stop the employer claiming that there had been a break in continuity.

And even if that were possible in law, it could only affect the employer and his employee. The Redundancy Payments Act 1965 established a system whereby employees were compensated by redundancy payments calculated in accordance with the Act. In certain circumstances an employer who made a redundancy payment could obtain a rebate of a proportion of this payment from the Redundancy Fund administered by the Secretary of State for Employment. Whatever the employer agreed with his employee, it could not conceivably bind the Minister.

* * *

IT LOOKS very much as if five Law Lords will be summoned back from their holiday retreats to hear the appeal of the *Rossminster* company complaining against the breadth of the raid by the Inland Revenue on their premises and seizing a vast quantity of documentation in connection with investigation into tax evasion.

The Court of Appeal is being reconvened hurriedly to hear the appeal from the adverse ruling by the *Divisional Court* which sat a day past the official ending of the law term. Three years ago the House of Lords similarly sat until August 2 to complete an appeal by the Secretary of State for Education in the Tameside case. But one has to go back to 1961 for the last time the House of Lords sat in vacation; it then heard two murder appeals from Northern Ireland when capital punishment was still in operation.

Whether the case has to be heard by the House of Lords and not by the Court of Appeal depends on the judgment from which an appeal is brought being "in a criminal cause or matter." The search and seizure by the Revenue was in pursuance of a search warrant issued by Judge Leonard, QC (the new Common Serjeant), at the Old Bailey. If it is in a criminal cause or matter, the appeal must go direct to the Lords; the Court of Appeal would have no jurisdiction. Whether the case is criminal depends on the nature and character of the proceeding in which the remedy is sought.

If the direct outcome of the proceedings to render the seizure of some of the documents is a trial and punishment for an alleged offence, it would be a criminal matter. The problem is that at this stage there are no criminal proceedings afoot, only a preliminary step in a criminal investigation. If the Court of Appeal feels it wishes to spare the House of Lords the need to hear the appeal in the coming days, it may reflect that the case may still go higher on appeal from that court, but later on.

** 1975 QB 917.*

Top Australian jockey makes welcome return

IT IS WELCOME news that Harry White, the Australian jockey, who rode such an unflustered race to get Greenland Park home in last season's Queen Mary Stakes at Royal Ascot as the William Hastings-Bass filly began to show signs of inexperience, will be back with us next year.

White, again champion of Victoria with 52 winners to his credit—a third Melbourne Cup triumph—will be based with Greenland Park's stable throughout the 1980 season if all goes according to plan.

No one would dispute that in Scobie Breasley and Bill Williamson, Australia was represented in Europe until recently by two masters of their craft.

Roy Higgins, runner-up to White in Australia, who at one time nearly joined Warren Place as a replacement for Sandy Barclay, and White are two of the finest jockeys in the world today. I am sure Hastings-Bass will have no regrets about renewing the association.

Hastings-Bass had plenty of time to assess White, for he learned a good deal of his craft with Australia's two leading trainers, Tommy Smith and Bart Cummings.

RACING
BY DOMINIC WIGAN

Looking ahead to 1980, Royal Ascot's four-day meeting opens on June 17, and the 201st Derby will be run 13 days later. The jumping season, which has been stretching further and further into the summer, is due to end on the last day of May with an afternoon card at Stratford and an evening card at Market Rasen.

This afternoon, Clive Brittain, the Newmarket trainer, attempts an ambitious double. He saddles Standaan for Newcastle's Northumberland Sprint Trophy and, 45 minutes later, The Sandford for Nottingham's Stewards Cup.

Brittain, who does well at York, has another ambitious plan for Lasko Floko will take on the best there in the Benson and Hedges Gold Cup.

NEWCASTLE
2.30—Sing Willow**
3.00—Hot Prince
3.30—Valeriga***
4.00—Jacenitor
4.30—Speedy Call
5.00—Gigantea

NOTTINGHAM
2.15—Nariz
4.15—The Sandford*

TV/Radio

BBC 1

† Indicates programme in black and white

6.40-7.55 am Open University (Ultra-high frequency only). 9.50 Magic Roundabout. 9.55 Jackanory. 10.10 Don and Pete. 10.15 Desert Adventure. 10.40 Take Hart. 1.15 pm News. 1.30 Trumpton. 3.25 Home On Sunday. 4.13 Regional News for England (except London). 4.15 Play School (as BBC-2 11.00 am). 4.40 Roobarb. 4.45 Jigsaw. 5.10 Big John, Little John. 5.35 The Wombles.
5.40 News.
5.55 Nationwide (London and South-East only).
6.20 Kick Start.
6.50 Ask The Family.
7.15 Explorers of the Deep.
8.00 "Star!" starring Julie Andrews (part 1).
9.00 News.
9.25 "Star!" (part 2).
11.10 World of Panorama: Who Killed Georgi Markov?
12.00 Weather/Regional News.

All Regions as BBC-1 except at the following times:—
Scotland—5.55-6.20 pm Reporting Scotland. 12.00 News and Weather for Scotland.
Wales—1.30-1.45 pm Pili Pala. 5.55 Wales Today. 6.15-6.20 Newydion. 6.50-7.15 Tomorrow's World. 12.00 News and Weather for Wales.
Northern Ireland—4.13-4.15 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 12.00 News and Weather for Northern Ireland.
England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South-West (Plymouth).

BBC 2

6.40-7.55 am Open University.
11.00 Play School.
4.50 pm Open University.
6.55 Pick of the Philpott File.
7.45 Mid-evening News.
7.55 For Valour.
8.10 The Waltons.
9.00 Poacher Sings Country.
9.25 Inside Story.
10.15 Best of Brass.
10.50 Return Call to Brass Tacks.
11.00 Late News.
11.15 Closedown reading.

LONDON

IBA programmes are subject to interruption because of an industrial dispute

9.30 am Beyond the Moon? 10.00 The Open Air. 10.30 Cartoon Time. 10.45 Richard Pearse. 11.35 The White Stone. 12.00 Jamie and the Magic Torch. 12.10 pm Rainbow. 12.30 Emmerdale Farm. 1.00 News plus. FT Index. 1.20 Thames News. 1.30 All About Toddlers. 2.00 Rumpole of the Bailey. 3.00 *Monday Matinee:* "Sidekicks." 4.20 Clapperboard. 4.45 Why Can't I Go Home? 5.15 Oh Boy!
5.45 News.
6.00 Thames News.
6.05 Thames Report.
6.35 Crossroads.
7.00 *Britain's Strongest Man.*
7.30 Coronation Street.
8.00 Spooner's Patch.
8.30 World In Action.
9.00 Best Sellers: "Studs Lonigan."
10.00 News.
10.30 *Best Sellers (continued).*
11.15 Thriller.
12.30 am Close: Cyril Shaps reads poetry.

All IBA Regions as London except at the following times:—

ANGLIA

10.30 am Andy's Party. 10.55 Hear Today. 11.20 The Paper Lads. 11.50 Oscar and the Great Wooferoo. 1.25 pm Anglia News. 2.00 Houseparty. 2.25 The Love Boat. 3.20 Rumpole of the Bailey. 5.00 About Anglia. 11.15 Doctors' Private Lives. 12.15 am Reflection.

ATV

10.30 am Dick Tracy. 10.35 Sesame Street. 11.35 Ghost Busters. 1.20 pm ATV Newsdesk. 3.00 Movie Matinee: "Mobile Two." 6.00 ATV Today. 11.15 Police Surgeon. 11.45 Something Different.

BORDER

10.30 am Andy's Party. 10.55 Hear Today. 11.20 The Paper Lads. 11.50 Oscar. 1.20 pm Border News. 2.00 Houseparty. 2.25 Fireside Theatre. 3.20 Rumpole of the Bailey. 5.15 Cabbages and Kings. 6.00 Lookaround Monday. 6.20 The Sound of ... Marian Montgomery. 11.15 The Do-gooders. 12.00 Barney Miller. 12.30 am Border News Summary.

CHANNEL

1.20 pm Channel Lunchtime News and What's On Where. 3.00 The Monday Matinee: "Lucas Tanner." 5.15 Cabbages and Kings. 6.00 Channel News. 6.10 The Beverley Hillbillies. 10.28 Channel Late News. 11.15 Family. 12.10 am News and Weather in French.

GRAMPIAN

9.25 am First Thing. 10.30 Technoflash. 10.55 Hear Today. 11.20 The Paper Lads. 11.45 Oscar and the Great Wooferoo. 1.20 pm Grampian News Headlines. 3.00 Monday Matinee: "The Family That Nobody Wanted." 6.00 Grampian Today. 6.05 Flair. 11.15 Reflections. 11.20 Survival Special. 12.20 am Grampian Late Night Headlines.

GRANADA

10.30 am Sesame Street. 11.25 Valley of the Dinosaurs. 11.45 A Handful of Songs. 1.20 pm Dick Tracy. 3.00 Monday Matinee: "This is The West That Was." 5.10 Felix the Cat. 5.15 Crossroads. 6.00 Granada News. 6.05 The Rohde Reports. 6.30 Get Some In. 11.15 Colgate World Mixed Golf Championship.

HTV

10.30 am Andy's Party. 10.55 Hear Today. 11.20 The Paper Lads. 11.45 Oscar and the Great Wooleroo. 1.20 pm Report West Headlines. 1.25 Report Wales Headlines. 3.00 The *Monday Matinee:* "Emily, Emily." 5.15 The Undersea Adventures of Captain Nemo. *5.20 Crossroads.* 6.00 *Report West.* 6.22 Report Wales. 11.15 Michel Legrand and Friends.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 pm Penawdau Newyddion Y Dydd. 6.00-6.22 Y Dydd. HTV West—As HTV General Service except: 1.20-1.30 pm Report West Headlines. 6.22-7.00 Report West.

SCOTTISH

10.30 am Andy's Party. 10.55 Hear Today. 11.20 The Paper Lads. 11.45 Oscar. 1.25 pm News. 3.00 Monday Matinee: "Killer Bees." 5.15 Popeye. 5.20 Crossroads. 6.00 Scotland Today—Summer Extra. 6.20 Crimedesk. 6.45 The Sounds of ... Marian Montgomery. 11.15 Late Call. 11.20 Festival Cinema. 12.05 am The Master Builders.

SOUTHERN

10.30 am Andy's Party. 10.55 Hear Today. 11.20 The Paper Lads. 11.45 Oscar and the Great Wooferoo. 1.20 pm Southern News. 2.00 Houseparty. 2.25 Cartoon. 3.20 Rumpole of the Bailey. 5.15 Dick Tracy Cartoon. 5.20 Crossroads. 6.00 Day by Day, including Southsport. 11.15 Southern News Extra. 11.25 The Electric Theatre Show. 11.55 Farm Progress.

TYNE TEES

9.25 am The Good Word followed by North-East News Headlines. 10.30 Andy's Party. 10.55 Counterpoint. 11.20 The Paper Lads. 11.45 Oscar and the Great Wooferoo. 1.20 pm North-East News and Lookaround. 3.00 Monday Matinee: "Lucas Tanner." 5.15 Cabbages and Kings. 6.00 Northern Life. 11.15 Jazz Night. 12.05 a.m. *Police Surgeon.* 12.30 Epilogue.

ULSTER

10.30 am Andy's Party. 10.55 Counterpoint. 11.20 The Paper Lads. 11.45 Oscar. 1.20 pm Lunchtime. 3.00 Monday Matinee: "And No One Could Save Her." 4.18 *Ulster News Headlines.* 5.15 Cartoon Time. 5.20 Crossroads. 6.00 Ulster Television News. 6.15 Family Matters. 6.30 The Mary Tyler Moore Show. 11.15 Colgate World Mixed Golf Championship. 12.15 am Bedtime.

WESTWARD

10.30 am Andy's Party. 10.55 Counterpoint. 11.20 The Paper Lads. 11.45 Oscar and the Great Wooferoo. 12.27 pm Gus Honeybun's Birthdays. 1.20 *Westward News Headlines. 3.00* The Monday Matinee: "Lucas Tanner." 5.15 Cabbages and Kings. 6.00 Westward Diary and Sports Desk. 10.28 Westward Late News. 11.15 Family. 12.10 *am* Faith for Life. 12.15 West Country Weather and Shipping Forecast.

YORKSHIRE

10.30 am The Herbs. 10.45 Canada—Five Portraits. 11.35 The Roman Holidays. 1.20 pm Calendar News. 2.00 *Untamed Frontier.* 3.25 *Stars on Ice.* 3.50 The Sullivans. 5.15 University Challenge. 6.00 Calendar (Emley Moor and Belmont editions). 11.15 The Do-gooders. 12.00 Barney Miller.

F.T. CROSSWORD PUZZLE No. 4,046

ACROSS
1 Current among a hundred as a plug (6)
4 Slanders the Irish among the snakes (8)
10 Is a fish allowed a cake? (7)
11 A slippery customer in the band—it's staggering (7)
12 One short month is required for the enclosure (4)
13 Right in the middle of a dull community (4, 6)
15 A friend is after the engineer—is that so? (6)
16 A certainty the favourite—scrap it (7)
20 Board for the Senior Citizen (7)
21 Annoyed to leave port (3, 3)
24 Offers resistance like Jackson (10)
26 Fit courtship (4)
28 Look to the beginning—the craft is no more (4, 3)
29 An invention intended, we hear, to accompany fruit (7)
30 Grateful to be released (8)
31 Cases of speed in the Civil Service (6)

DOWN
1 Records an attempt in fabric (8)
2 English novelist with a name for pacifism (8)
3 Possibly slow but wise fliers (4)
5 Stepping out with a division under a good man (8)
6 This examination makes the team a little cross (6-4)
7 Work means money in the street (5)
8 Soldiers come up to catch the seal (6)
9 Exorbitantly precipitous (5)
14 The start of the Beatitudes (7, 3)
17 Profit from motel menu (9)
18 Contend with Sussex town after a party (2, 6)
19 Laws made by Utah in America (8)
22 Gee! Room at the inn for him (6)
23 See the Labour split (5)
25 Bird finds us in a rising Constellation (5)
27 The Prince of Ballet (4)

The solution of last Saturday's prize crossword will be published with names of winners next Saturday.

RADIO 1

(S) Stereophonic broadcast
‡ Medium Wave

5.00 am As Radio 2. 6.00 Andy *Peebles.* 9.00 *Simon Bates.* 11.00 Radio 1 Roadshow. 12.30 pm Newsbeat. 12.45 Paul Burnett. 2.00 Tony Blackburn. 4.31 Paul Gambaccini. 7.00 Stayin' Alive. 8.00 Mike Read. 9.50 Newsbeat. 10.00 John Peel (S). 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.03 Derek Hobson (S). 7.32 Terry Wogan (S). 10.03 Jimmy Young (S). 12.15 pm Waggoners' Walk. 12.30 Pete Murray's Open House (S). 2.15 David Hamilton (S). 4.15 Much More Music (S). 5.00 News. 5.05 Waggoners' Walk. 5.20 Don Durbridge (S). 6.45 Sports Desk. 7.02 Music from the Movies (S). 7.30 Sports Desk. 7.33 Alan Dell with The Dance Band Days, and at 8.02 The Big Band Sound (S). 9.02 Humphrey Lyttelton with The Best of Jazz on Records (S). 9.55 Sports Desk. 10.02 *Funny You Should Ask.* *10.30 Star* Sound. 11.02 Round Midnight, including 12.00 News. 2.02-5.00 am You and the Night and the Music (S).

RADIO 3

†6.55 am Weather. 7.00 News. 7.05 Overture, part 1 (S). 8.00 News. 8.05 Overture, part 2 (S). 9.00 News. 9.05 This Week's Composers: Ireland and Scott (S). 9.55 Respighi and Szymanowski song recital (S). 10.35 Coull String Quartet, part 1 (S). 11.15 In Short (talk). 11.25 Coull String Quartet, part 2 (S). 12.05 pm Bridge, Ireland and Scott (S). 1.00 News. 1.05 Music for Ballet (S). 2.00 British Organ Music (S). 2.35 *Matinee Musicale* (S). 3.35 New Records (S). 4.55 All Together Now. 5.25 Homeward Bound (S). ‡5.45 News. ‡5.50 Homeward Bound. ‡6.15 At Home. 7.10 *Pied Piper* (S). 7.30 Proms '79, part 1: Sibelius, Ireland (S). 8.15 The Living Poet: George Mackay Brown. 8.35 Proms '79, part 2: Shostakovich (S). 9.45 Someone Else (story by Frederic Raphael). 10.15 Debussy, Schumann and Reimann song recital, part 1 (S). 10.45 Interval Reading. 10.50 Recital, part 2. 11.25 Jazz in Britain (S). 11.55-12.00 *News.*

VHF only—6.00-7.00 am and 5.45-7.10 pm Open University.

RADIO 4

6.00 am News Briefing. 6.10 Farming Week. 6.25 Shipping Forecast. 6.30 Today, including 6.45 Prayer for the Day; 7.00, 8.00 Today's News; 7.30, 8.30 News Headlines; 7.45 Thought for *the Day.* *8.45 The Enchanted Places.* 9.00 News. 9.05 Start the Week with Richard Baker. 10.00 News. 10.05 Wildlife. 10.30 Daily Service. 10.45 Morning Story. 11.00 The Survivor Syndrome. 11.45 Listen With Mother. 12.00 News. 12.02 pm You and Yours. 12.27 Brain of Britain 1979 (S). 12.55 Weather; programme news. 1.00 The *World at One.* *1.40* The Archers. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.05 Afternoon Theatre. 4.35 Story Time. 5.00 PM: News magazine. 5.50 Shipping Forecast. 5.55 Weather; programme news. 6.00 News. 6.30 I'm Sorry I Haven't A Clue (S). 7.00 News. 7.05 The Archers. 7.20 *From Our Own* Correspondent. 7.45 The Monday Play (S). 9.15 Many Happy Returns with traveller Jonathan Hewat. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 The Charlton Interview. 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Unforgettables. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 9.03 London Live. 12.03 pm Call In. 2.03 206 Showcase. 4.03 Home Run. 7.03 *Black Londoners.* 8.03 Breakthrough. 10.03 Late Night London. 12.00-5.00 am As Radio 2.

London Broadcasting

5.00 am Morning Music. 6.00 The AM Show with John Perkins and Steve Wood. 10.00 Open Line. 1.00-800 pm LBC Reports with George Gale at 3.00. *8.00 After Eight.* *9.00 Nightline.* 12.00 LBC Reports. 1.00 am Night Extra. 4.00 Monty at Large.

Capital Radio

6.00 am Graham Dene's Breakfast Show (S). 9.00 Mike Smith (S). 12.00 Mike Allen (S). 3.00 pm Roger Scott (S). 7.00 London Today (S). 7.30 *Adrian Love's Open Line (S).* 9.00 Alan Freeman (S). 11.00 Kerry Juby's Late Show (S). 2.00 am Night Flight.

THE ARTS

Young Vic

Night Child

by B. A. YOUNG

Schoolgirl Kate has nightmares about human sacrifice in Woodhenge, and she gets up in the morning to watch the sun rise to see if the rays fall where the altar used to be. One day the other girls pretend to take her away for an offering. She spends a few days recovering from the resultant breakdown, but when she comes back she is still obsessed with the same subject, only now it's the Aztecs, and the potential sacrifice is not herself but her friend Jessika. Jessika is lucky; for on (I presume) Midsummer Day it is Kate who, leaning against the window watching for the sun, falls to her death below.

Shankara Angadi's naive little tale was written for the girls of Queen's College, and it is they who play it at the Young Vic until August 25. It's good to see an all-female children's piece instead of those all-male pieces the National Youth Theatre tends to give us, but I don't think this is really up to quite such public display. The script and the inevitable rock music, all by Shankara Angadi, would seem OK in an end-of-term production at school, but they are really a bit thin. The multi-medium production, with yards of projected film that never builds up the necessary tension, is short of detail, and the music, divided between offstage tape and onstage girls, lacks any variety of atmosphere.

At any rate all the girls are enchanting as they exchange their girlish chat in the dorm. They speak up, and sing up, admirably, and I was always able to hear the words, though not necessarily grateful that I had. The direction, by Dorien Angadi, does not always make clear what is happening. Most of all, I think, something should be done to differentiate the short scene in the sick-bay from the day-to-day scenes at school, and the girl (or nurse?) Rebecca who aggravates Kate's condition by adding to her knowledge of primitive religions ought to be presented in more depth. The girls themselves are nicely differentiated, but even poor haunted Kate doesn't achieve enough importance. Perhaps an adult hand on the dialogue might be a good idea, for although Shankara Angadi is credited as author, the programme also says that the girls have invented their own speeches.

Leonard Burt

Diana Coulson, Kristin Flanders and Deborah Wapshott

Albert Hall/Radio 3

National Youth Orchestra

The concerts of the National Youth Orchestra are never more rewarding than when the orchestra plays unfamiliar scores, with a technical excellence beyond their years and a fresh response not always to be assumed from tired professional organisations. So it was at Saturday's Prom, whose first half included Bartok's Dance Suite, a rarity at these concerts, and Szymanowski's Sinfonia Concertante for piano and orchestra, making a first appearance there. David Atherton conducted.

In the Dance Suite, Bartok both contrasts and reconciles folk music elements from Eastern Europe and North Africa—the happy outcome suggests a common origin ages ago. He uses only original material, without actual folk songs or dances. Mr. Atherton was remarkably successful in getting the right accents, phrasing and sinewy rhythms from his players. Two small points. The first flute, an excellent player, has a touch of vibrato in his tone that mustn't be allowed to get wider. The piano part in the Bartok was barely audible. It doesn't need, except when so marked, to be loud but it must be definite, enough to add colour and point.

Szymanowski, a good but not outstanding pianist, wrote the Sinfonia Concertante for himself to play—how often has it been heard in London since he performed it for the BBC in 1934? In spite of the only moderate difficulty of the piano part, the work is dedicated to Rubinstein and was played by him and by another pianist friend, Smeterlin. By the time he wrote it a belated interest in Polish folk music had partly shaken Szymanowski out of the dream world of *King Roger*. Yet in spite of the quest for transparency and clarity of form, though the new influence can be felt in the finale, encroaching unexpectedly far into Bartok's territory, the old luxuriance and gorgeous fabric, as the slow movement shows, is still there.

One might expect the bracing air of Bartok to appeal more strongly to this conductor than the seductions of Szymanowski, though his players in the NYO are at an age when such languors can be irresistible. Be that as it may, between them, and with John Bingham as fully sympathetic soloist, they made a strong case for the addition of the Sinfonia Concertante to the not inexhaustible repertory of 20th century works for piano and orchestra.

RONALD CRICHTON

Albert Hall

Bartok, Stravinsky & Wooldridge

I cannot remember a Promenade concert more incoherent than Friday's. For many people the scheduled first work, Stravinsky's *Les Noces*, will have been the main attraction: it was withdrawn, without apology or explanation in the programme-book, in favour of the same composer's Concerto for two solo pianos. Now, the latter is a toughly worked-out masterpiece, uncompromisingly severe and demanding. It would have been a risky Prom piece in any case, but entrusted to Anne Shasby and Richard McMahon it was a monochrome shadow of itself. Though they are thoughful musicians, their powers of virtuoso projection are of a modest order, and conveying the massive power of the Concerto—even keeping its intricate musical shapes in focus—was beyond them in this vast hall.

There followed a new orchestral song cycle by the 48-year-old David Wooldridge, Five Italian Songs on Giuseppe Ungaretti poems. Scored with unremitting Hollywood lushness (for an orchestra like that of Bartok's Concerto, with added percussion, for exotic effects), they proved to be awesomely innocent. The bland vocal line, which follows the simplest sentiments of the verses, must be grateful to sing. Heather Harper sounded lovely with it, bar an occasional hint of fraying at the top; the quality of patrician reserve which belongs to her art is not, however, perfectly matched with these songs. They inspired a still lusher programme-note by their composer—but he was over-optimistic about the weight that the relaxed melodic line and its credit-title harmonies would carry.

Bartok's Concerto for Orchestra might have been chosen to show how much sparer and more telling a deliberately public piece can be, even while eschewing any kind of recherché musical procedure. It was commissioned for a virtuoso orchestra, though, and the BBC Symphony is not that (as the first painful trumpet entry reminded us). Much of the musical energy of the work derives from the instrumental writing; only Christine Messiter's exquisite flute solos were really of sufficient calibre, and the competitive duets of the "Gioco delle coppie" were quite faceless. Michael Gielen's tempi were sound, and firmly held, but there was little dramatic flair or panache. A peculiar and pointless evening.

DAVID MURRAY

Elizabeth Hall

Ravel and Mozart

by ANDREW CLEMENTS

Between them the Gabrieli and Vermeer Quartets are contributing four of Mozart's great string quintets to this year's Summer Music. The work omitted is the last, in E flat; on Thursday the Gabrieli with Arnold Steinhardt as second violist played the C major K515. Prefaced by Ravel—the duo for violin and cello and the piano trio—it promised an evening of balance and variety. But the final impression was of rather bland, smoothed-out performances, almost as if touched by high-summer drowsiness.

To the Duo Steinhardt and Lynn Harrell brought their expected polish and unanimity. Shorn of the rest of the Guarneri Quartet (which he leads) Steinhardt is a sweet-toned, elegant violinist, not in the least prone to force or drive the music nor to lend it heavy, muscular tone. In the duo at least that was a disadvantage. It is by some measure Ravel's most astringent instrumental work—full of bitonal passages and polyrhythms, able to sustain an almost Bartokian intensity of expression. Tamed by Steinhardt and Harrell it was integrated into the Ravel canon with surprising ease, depriving the slow movement of its usual cathartic force and the finale of most of its recalcitrance.

The young Israeli Yefim Bronfman joined the duo partners for the piano trio. Perhaps inhibited by his seniors—Harrell in particular seemed withdrawn and ill at ease for such a usually commanding player—he coped with but did not project Ravel's hefty piano writing. There were beautiful moments, though, at the beginnings of the first and last movements. Bronfman's unmannered presentation paying dividends at the very opening, Steinhardt and Harrell finding a magical balance of textures to support the first theme of the finale.

"Bland and smoothed-out" is not perhaps an entirely fair description of the performance of the first movement of the C major Quintet at least. The Gabrieli were certainly not at their most forceful, but their playing these days is remarkably sure of structure and period style — hard edges have generally been replaced by soft, moulded contours. They controlled the sweep of the great Allegro but failed to inject any vitality into the minuet, leaving the repeats unvaried in accent and phrasing, and unhappily failed to rekindle the vital spark for the last two movements.

Elizabeth Hall

Tamas Vasary

by MAX LOPPERT

In Friday's English Chamber Orchestra concert, Tamas Vasary swelled the ranks of the soloists of renown also taking on the conductor's role—this seems to be a speciality of the current Summer Music season. Mr. Vasary is not the worst pianist-conductor one has encountered; and, certainly, not the best. The Mozart concerto that began the evening, K453 in G, was a bland affair. Melodic lines were spruced groomed—the ECO can now be trusted to keep a Mozart piano concerto in order under almost any performing conditions, and Mr. Vasary shaped his portion, notably in the rhapsodic middle Andante, with his usual fastidious affection.

But much else was missing—the rhythmic challenge of a mature Mozart concerto, the argumentative energy lying beneath the beautiful surface, most of all the fun. Who would believe, hearing the Allegretto for the first time in this placid reading, that it is one of the most exhilarating and inventive of Mozart's *opera buffa* concerto finales? The mock tragedy of the G minor variation came out much like the rest—mild, equable, and undramatic.

For the rest of the programme of Saint-Saëns, Ravel, and Bizet, Mr. Vasary was the conductor *tout court* (and one without scores). The Saint-Saëns a minor Cello Concerto began well, broke down (a string snapped on Lynn Harrell's instrument), began again, and never quite recovered its original impetus. Mr. Harrell, not surprisingly, wore a preoccupied air the second time round; the virtuoso flourishes were precisely turned, but the proper Schumannesque inwardness was missing, and fantasy was at a premium.

The piece is good enough to survive a brisk despatch, but here again more was absent than stated. Mr. Vasary's conducting of the *Pavane for a dead Infanta* and the Bizet Symphony in C after the interval passed muster on a warm summer evening, when one is glad of their sweetly made phrasing and indulgent about insecure ensemble and orchestral playing not always under the conductor's full control. But Bizet's youthful genius — no other word will do for that glorious effusion of classical concision and Mediterranean warmth — sounded on this occasion distinctly middle-aged.

British literary manuscripts on display in New York

The Pierpont Morgan Library in New York will display the finest of its collection of British literary manuscripts from the period 800 to 1800 in an exhibition from September 20 to November 25.

The exhibition will present almost 150 manuscripts by a broad range of authors. Four items will form the centre of the display—the literary manuscript in Sir Philip Sidney's hand, his Defence of the Earl of Leicester, the only surviving portion of Milton's dictated manuscript of Paradise Lost, the manuscript of Alexander Pope's Essay on Man and the manuscript of Samuel Johnson's Life of Pope, the best of his Lives of the Poets.

Among the items from the Middle Ages are manuscripts of Chaucer's Troilus and Cryseyde, the most authoritative text of the poem, and Canterbury Tales; a leaf from Bede's Ecclesiastical History, dating from the 8th century, and manuscripts of poems by Gower and Lydgate.

The 18th century will be represented by poems and letters by Jonathan Swift, James Thomson, John Gay, and William Cowper; a fragment from a novel by Samuel Richardson; a receipt in Henry Fielding's hand for the purchase of the copyright of his novel, Tom Jones; an autograph sermon and Fragment in the Manner of Rabelais by Laurence Sterne; and an unrecorded manuscript of Thomas Gray's poem The Fatal Sisters, as well as a manuscript of his Ode on the Death of a Favourite Cat. The exhibition will close with a group of manuscripts by Samuel Johnson's friends and biographers.

Architecture

Rangers House, Blackheath

by GILLIAN DARLEY

Rangers House is to Blackheath what Kenwood House is to Hampstead Heath. It may not share the splendour of landscaped setting, but in architectural terms it is more immediately attractive, built of warm red brick and of domestic scale. Like Kenwood, it now houses a great collection of pictures and together with Marble Hill House makes up the triumvirate of historic houses administered by the GLC.

The paintings are the Suffolk Collection, originating from Charlton Park, which are predominantly portraits, and the majority of these, 17th century masterpieces including the stunning *Berkshire Marriage Set* by William Larkin (so-called despite the absence of both bride and groom). They are pictures to feast on: yards of dove-grey slashed satin, turkey carpets of rich jewel colours, ropes of pearls and layers of lace. In addition the personalities are clearly defined, character could still out in the early 1600s—none of those bland, pusillanimous faces had yet come to roost on the walls of country mansions.

Although the settings for the paintings are bare, the aim is to gradually build up an appropriate furnished background. For the moment the rooms lack warmth, though the custodians compensate by giving the portraits an independent existence a little puzzling to the visitor on first hearing—thus, "Lady Dorothy should be back soon, but Isobel is looking very nice." (The ladies in question coming and going from the restorer.)

Two of the smaller rooms are panelled but the finest space in the house is undoubtedly the gallery with its magnificent ceiling and views out on three sides. This wing was added by Philip, 4th Earl of Chesterfield, to the early 18th century house which he had inherited in 1748. Originally the most reluctant of owners he seems to have fallen for the place in no time at all—by 1750 he had completed the gallery, his architect probably Isaac Ware. By 1754, surveying his famed garden of melons and pineapples, he was able to state with conviction: "This I find is my proper place."

The house and the Suffolk collection were brought together and first opened to the public in 1974. Despite the quality of the house and exhibits the visitor is not drawn back frequently by changing exhibitions, as at Kenwood. This means that the attendance figures are relatively low for a house in such a location, backing on to Greenwich Park and centrally situated on Blackheath itself. The excuse cannot be that Rangers House does not offer accommodation, for the entire upper storey is vacant, and in good order, having been vacated by the GLC themselves a couple of years ago.

Few visitors would guess at the "fine staircase with variedly twisted banisters" (all of oak) that Pevsner refers to. This, too, is out of sight. Half of the rooms in Rangers House are in fact disused and it seems an unjustifiable waste of such an asset, particularly since the cost of putting this floor into use would be a small percentage of the total expended at present on the house—money deployed on a little visited and relatively unknown museum. It is hoped that on the transfer of the GLC historic houses to the Arts and Recreation section (as opposed to the Department of Architecture as now) priorities will reassert themselves and the full potential of Rangers House will be realised.

Lots of uses for the upper rooms have been suggested and are being explored by curator John Jacob. The overflow collection of historic musical instruments from the Horniman Museum could be housed there; it could be used for local history exhibitions; and displays connected with the house and its Suffolk collection itself be mounted.

Necessary steps now are prompt action. A little will and imagination are needed in looking for a relatively small sum to put the rooms back into use. Certainly the GLC cannot financially justify the waste of space and the public should be able to view the house as a whole, rather than as a fragment. The matching of the Suffolk collection with Rangers House is a most successful arrangement; the rescue of the upper floors would be another.

Coliseum

Twilight of the Gods

by DAVID MURRAY

At the end, the English National Opera performance of the final *Ring* opera on Saturday had to be counted a success. Apart from the conductor Charles Groves, whose broad tempi were flexibly sustained but whose reluctance to be caught urging the music forward was a severe disability in Act 1, the credit must go to Alberto Remedios, Aage Haugland and Anna Green above all. The production does not merely remain serviceable, but continues to improve. The effect of the staging is handsome and economical, and excellently of a piece. The Immolation and grand catastrophe still look a bit provisional, but Gibichung furniture comes and goes irritatingly (Hagen at the start of Act 2 must be seen *exactly* where he was at the end of Act 1), and some scenes are visually extended into the orchestral interludes beyond conviction or any interesting point; no other complaints. The brawling Vassals are nicely judged, neither monstrous brutes nor a tame operatic chorus.

Stepping unexpectedly into the role of Siegfried again, Remedios sang as beautifully and stylishly as I have heard him. He is a cheerful tower of strength; perhaps his English diction is almost too clear for the good of his legato, and the voice tired briefly in Act 2—but his lyrical ardour and the confident cut of his phrasing are treasurable. Aage Haugland's Hagen was mightily impressive, as original as his superlative Hunding in *The Valkyrie*. He does not produce a stream of continuous black tone in the Frick manner, nor is his Hagen a coldly malevolent non-human of that stamp. His utterance is subtly shaded and explosive: he is exuberantly vital and alert, a baleful, pantherish giant. Though his Call to the Vassals was as hackle-raising as it was accurate, he had not taken the full musical measure of Hagen's Watch yet, nor the eerie duologue with Alberich. The unfocused orchestral contribution to the former must have been a hindrance.

The horns had a wretched night, perhaps drained by the muggy evening; the muffled solos did less damage than their domino-style collective attack in all the darkly resplendent music of Act 2. Neither Miss Green as Brünnhilde nor the first trumpet was anything like pointed enough in her oath on Hagen's spear, though her passion in the scene almost made up for the rhythmic slackness. But from a dazed beginning—confident, intermittently gusty singing in the Prologue, with an awkwardly ingratiating manner suggesting an over-anxious hostess—she improved rapidly. In one of the original legends Brynhild was a wild witch-woman, living alone and feared in the woods: one remembered that with the desperate, trapped creature Miss Green presented so intensely in Act 2. There was maturity and fine control in the Immolation scene, and even some radiance; I wished that Groves had helped her with an apposite tightening of the tempo toward the end.

His account of the score is admirably steady, and not stolid. The astounding range of orchestral colour in the opera was given its due whenever the playing permitted: Gutrune's high woodwinds were always delicately, poignantly drawn out. The brass grew increasingly fine, if not always at the expense of many a string line. Plainly Groves wanted the music to speak for itself—but the second scene on Brünnhilde's rock really needed a more pressing hand. If Miss Green and the players were not to be left becalmed and adrift. The arrival of Katherine Pring's Waltraute was welcome, as strong and committed as ever, despite a new, regrettable tendency to worried little gestures. The part of the Second Norn sits less well on her voice; the other Norns sail. Anne Collins and Elizabeth Connell better. There were well-tuned Rhinemaidens, and Patrick Wheatley's interesting Gunther, vividly unnerved by hag-ridden pride, was complemented by Ava June's touchingly simple Gutrune, a girlish romantic. As a whole, a considerable performance, winningly faithful and unaffected.

Leonard Burt

Anna Green

Royal Variety Show

This year's Royal Variety Performance will be held at the Theatre Royal, Drury Lane, and not at its traditional home, the London Palladium.

The change of venue was announced by Louis Benjamin, who is presenting the show for the first time, taking over from Lord Delfont. Mr. Benjamin, who is managing director of the Palladium, said it would be impossible to stage the performance there this year as it would take a week to remove and then restore the set and scenery of *The King and I*, the musical running at the Palladium.

CRICKET BY TREVOR BAILEY

Test series has little meaning

THE IDEAL Test match should be played on a true, fast pitch between two teams of international calibre. In these conditions high quality bowlers supported by brilliant fielding will usually have to work long and hard for success against top-class batsmen. It is a long time since England have been engaged in a contest of this type, with their fine attack confronted by strong batting and their batsmen required to make runs against formidable bowling.

Last summer a dispirited Pakistan, without Packer players, provided no opposition, and New Zealand, who have never won a Test in this country, were simply not good enough. Last winter, the combination of indifferent wickets and the defection of most of their best players to World Series Cricket meant that Australia seldom scored 200, and never reached 300, in 12 innings.

In India's second innings at Lord's last Monday, for the first time in the present series a Test resembled a genuine international and the England bowlers were forced to labour. It gave them a taste of what to expect in Australia this winter, assuming the pitches improve, and against the West Indies next summer.

It is to be hoped that the fightback by Vengsarkar and Viswanath will provide the Indians with more confidence for the next encounter, starting at Headingley on Thursday, though the number of seam-dominated tests there in recent years does not bode well for them.

The truth of the matter is the series means little, because the present Indian attack is so insipid under English conditions that a draw, through the efforts of their talented batsmen, is the best they can hope to achieve.

Certainly these tests provide no guide for our selectors, who need to find a team to beat Australia and to win a triangular limited-overs tournament, also involving the West Indies, with, one can safely forecast, a large amount of cash at stake. It can be argued that it did not matter that our selectors have acted predictably in choosing the same team as at Lords with the addition of Willis, who, when fit, possesses greater pace and bounce than the other England seam bowlers.

Mike Brearly understandably wants to take to Australia virtually the same party that beat Yallop and company. Under his command, and assisted by the poverty of the opposition, England have acquired a pride, a resilience, and a belief in themselves, extremly valuable qualities which have helped to camouflage some obvious deficiencies.

Nevertheless it is hard to ignore the following facts: Last winter Brearley averaged 16 in six Tests and his opening partner, Geoff Boycott, now enjoying a marvellous summer, scored 263 in 12 innings for an average 21, occupying the crease for some 24 hours and hitting a total of six fours—one every four hours. These figures are a trifle worrying when one realises that the Australian attack will be strengthened by the availability of Lillee, Thomson, Pascoe, Gilmour and Walker. Runs will be harder to obtain and bouncers more plentiful. In addition to Gooch, Gower and Randall, I would strongly advocate including in the party two young cricketers with good techniques and the ability to cope with pace.

The batsmen to take are those who show they can make runs against Hadlee, Garner, Daniels and company. A big score against India is a tonic, but means little in terms of the requirements for next winter and summer.

It would defy logic if the selectors do not pick Underwood for the tour. He has already accounted for 70 batsmen and, as usual, has captured more wickets at less cost than any other spinner in the country. He has 265 test wickets to his credit and none of the present England slow bowlers will ever approach this feat.

His record in Australia, where he can also be employed as an effective stock bowler, is extremely good. Finally, this is a new-style tour with a heavy emphasis on limited overs cricket, and Underwood is just about the best brake bowler in the business.

YACHTING BY SAM VITE

Admiral's Cup may go to Ireland

FEW BRITISH yachtsmen waiting for news of the Fastnet race this morning would be unhappy to hear that the Irish boats are going well. If Britain cannot take the Admiral's Cup for the third time in a row, then it would be a good thing for ocean racing if the Irish were to come out on top.

The Fastnet Rock—key mark on the course of this 600-mile marathon race—is just off the coast of Southern Ireland, and many of the Irish team come from around Cork, which is not so far away.

As the race started on Saturday, it looked as though the trio of Irish yachts was determined to keep up with its high-scoring record. Inishanier and Golden Apple both made good starts as the fleet went off from the Royal Yacht Squadron line at Cowes. Regardless, the third boat in the team and the highest point scorer of the series to date, was not far behind.

But they will have to hold off a fierce challenge from the Americans and the Australians. The U.S. boat looked particularly intent as they went off on a testing beat into a freshening south westerly Saturday afternoon.

David Allen's Imp, star boat at the 1977 Admiral's Cup series, was sailing well above her handicap rating to keep pace with the pack leaders, and Seymour Finnett's Williwaw was also going impressively well.

For the Australians, Ragamuffin just has to be the key performer. After all, her skipper Syd Fischer won the 1971 Fastnet race in an earlier yacht of the same name? He certainly combines extensive ocean racing experience with the ability to select young and energetic crews who will drive the boat on hard, no matter what the conditions.

Then there is Police Car, the two-tonner skippered by Peter Cantwell. Despite the upset of a collision and an injured crewman in one of the earlier races, this aggressively—sailed yacht is one of the highest scorers in the fleet. Ireland's lead over the United States is just 14 points and with the Fastnet race scoring treble points that is an easily lost advantage.

Australia is a further nine points astern, so three boats in the ten would probably be enough to give victory to any of that leading trio of Ireland, America, or Australia. Then you have to give some consideration to the just posible Hong Kong, who are lying fourth in the table. That is largely due to consistent sailing — no spectacular wins, but no disatrous failures either. As the fleet headed for Portland Bill on Saturday the three Hong Kong boats were sailing steadily together in the middle of the fleet, keeping clear of trouble, collisions and protest-provoking manoeuvres.

If Great Britain musters a good tally for all its boats, and the leaders went astray, it is just possible that it could improve on its final position of two years ago when it finished third. Italy is nearly 30 points behind Hong Kong, with France and Britain only separated by one point and lying in sixth and seventh places. None of those countries can really hope to take the honours unless it happens to score high points with all three yachts and the favourite goes badly wrong.

Statistically it is possible, but highly unlikely. But the most fascinating aspect of the Fastnet race will be the winning time. The record is held by American Eagle, a non-cup yacht, which finished at Plymouth just over 79 hours after leaving Cowes in 1971.

This year there is a big fleet of maxi-boats among more than 300 yachts in all classes of the race. When last seen going away into the dusk on Saturday evening the Australian flier Kialoa was setting the pace. She was ahead of the 77-foot Condor, the boat which sailed so successfully in the last Whitbread Round-the-World race. If the long-range forecast of big seas and strong winds in the Irish Sea proves accurate, one of those ocean greyhounds could well break that record.

The thousands of yachtsmen sailing on hundreds of boats will be hoping for brisker going than two years ago, when the first over the line took 5½ days, and some smaller yachts were running short of food and water.

FINANCIAL TIMES
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Monday August 13 1979

The vanishing oil crisis

WE CAN all breathe again. The earth has not been tilted off its axis after all. The oil supply crisis, which promised all manner of disasters, has disappeared as quickly as it started. Or so it would seem.

However, this is no time for complacency. Energy supply problems persist and even if they are not as obvious as the springtime queues at petrol stations they have serious implications for the world's economic outlook. For a start, the shortage has left a legacy of much higher fuel prices which in turn is bound to hit output. A barrel of oil which would have cost around $13 at the end of last year is now priced at about $22 (or over $30 if sold on the spot market). Already members of the Organisation of Petroleum Exporting Countries are talking about raising the price again, if not at a special meeting in September, then at their scheduled oil ministers' meeting in Venezuela just before Christmas.

The producers are as determined as ever to ease prices up even further to a point—as yet ill-defined—where crude oil carries the value of alternative energy sources. That is the long-term aim. They also have a shorter-term ambition: to recover what they claim they will have lost through worldwide inflation and the falling value of the dollar.

The supply crisis earlier this year, caused mainly by the revolution in Iran, provided OPEC producers with the muscle to force through a series of massive price increases. Market forces were on their side. Having gained such a firm control on the oil supply/pricing mechanism it is unlikely that the main producers will now loosen their grip. The signs are that they will continue to make sure that oil demand and supplies are tightly balanced.

Achievable

That, essentially, is where we are today. Latest industry figures indicate that OPEC's output in the second quarter was 30.9m barrels a day, an increase of 1.6m b/d on the first three months of this year. The International Energy Agency recently forecast that if OPEC could maintain an output of 30.3m b/d for the year as a whole, the supply shortage could be eliminated. Thanks largely to Saudi Arabia's increased production IEA's estimate looks to be achievable.

Indeed, OPEC's output during these summer months of relatively low demand is enabling oil companies to replenish their stock tanks which were depleted so badly in the first quarter.

By April the stocks in non-Communist countries had fallen to an exceptionally—almost dangerously—low level, equivalent to some 67 days of consumption. All being well the industry should enter the fourth quarter this year with stocks of around 75 days consumption—the same level with which it entered last winter. It is by no means a comfortable position. Two years ago stocks would have met consumption for 84 days. But those were the days of the glut, the period when increasing production from the North Sea, Alaska and Mexico was joining the plentiful supplies from OPEC. Iran was exporting over 5m b/d.

Worrying

Today Iran is exporting less than 3m b/d. In the light of the continuing political uncertainty in the country even this reduced level of sales must be deemed to be under a constant threat. And there are other worrying factors. Saudi Arabia could cut its additional 1m b/d of output at any time, particularly if it feels that major importers—the U.S. above all—are not doing enough to conserve energy and to develop alternative fuel sources. Add to this the reported warnings from other OPEC members like Kuwait, Libya, Algeria and Nigeria that they, too, may trim their production levels and you have the plot for yet another oil crisis drama.

For it is an uncomfortable fact that OPEC producers are becoming more interested in raising the price of crude than in raising production levels. Countries with a limited capacity to absorb oil revenues—notably Kuwait, Saudi Arabia and Abu Dhabi—are increasingly questioning the wisdom of piling up petro-dollars when the value of oil in the ground can provide healthy growth prospects. Countries more in need of the oil revenues—such as Nigeria and Algeria—are quickly learning that they can earn more money from producing less than from producing more. So while the shortage may have disappeared, the tightness in supplies remains. Consumers are on a tightrope; a slip or a jolt could send them tumbling back into the petrol queues.

Warning signs in W. Germany

WEST GERMANY'S hitherto model economy is beginning to show signs of strain. For some time now, Dr. Otmar Emminger, the Bundesbank President, has been warning of the dangers of inflation and advocating tight monetary policies — at the expense, the business community would argue, of risking renewed recession. More recently, Dr. Emminger has added a further warning that the Government cannot expect funds to be easily available to finance vote-catching policies in the run-up to next year's elections.

Inflation

Dr. Emminger's Cassandran utterances on inflation were borne out last week by the cost-of-living figures for July, which showed the biggest year-on-year rise for three years. The West German inflation rate is now expected to pass the five per cent mark in the coming months — earlier than many economic forecasters had thought. Five per cent is hardly dramatic by general West European standards. Britain, France and Italy would all be overjoyed if they could bring their double-figure rates down to such a level. But it is more than enough to set warning lights flashing in Germany.

In a country traditionally obsessed by inflation, an upward movement of this apparent strength is not something that Herr Helmut Schmidt, the Chancellor, is likely to welcome at a time when he faces what could be a tough battle for re-election — despite his overwhelming lead in the latest public opinion polls. Much of his popularity rests on his reputation as the man who has masterfully steered the country through the shoals of the wider world economic crisis of the past few years.

The latest figures could, in the end, turn out to Herr Schmidt's advantage if the rise can be checked. Coming as they do on top of extremely low rises in the cost-of-living last year, they could produce favourable comparisons when next year's figures are published. But there is a long way to go until then, and there are a number of other signs that the economy is beginning to look less healthy than it did earlier this year.

The latest monthly figures for industrial orders, production and employment suggest that the economic upswing is still under way. But there are widespread fears that it will start to peter out in the second half of the year. The latest survey by the IFO Economic Institute revealed considerable scepticism over business prospects in the coming six months. And while the Institute is still expecting a growth rate of 3.5 to 4 per cent for 1979 (against earlier hopes of 4 per cent) it is now predicting only 2 to 2.5 per cent next year—due largely to the effects of oil price increases and weakening export demand for German goods.

Sluggish external demand, and an unfavourable trend in the terms of trade, have already eaten into the country's traditional surpluses on trade and current account. The latest figures published by the Federal Statistical Office appear to support private forecasts that West Germany is heading for an almost unheard-of current account deficit by next year at the latest. The trade surplus in the first half of this year was the lowest since 1973.

But perhaps the most worrying prospect is the threat of mounting discontent among the trade unions this winter. So far trade union leaders have headed off demands from the rank and file for a special bonus to compensate for the effects of higher fuel prices in advance of the usual winter wage round. But further rises in energy prices, as well as in the overall inflation rate, would considerably increase the pressure in the months ahead. Even if demands for special bonuses are resisted, the wage round could be extremely difficult.

Resilient

The West German economy is one of the most resilient in the world. So far, the country has coped better with the international economic crisis, and the challenges of adjustment, than most of its Western partners. But the electorate next year is going to judge Herr Schmidt's performance by German, not international standards. His economic and political skills could once again be put to a difficult test in the coming months.

The ruinous cost of producing too much sugar

By JOHN EDWARDS, Commodities Editor

TATE AND LYLE'S decision to close another of its four remaining sugar cane refineries in November comes at a time when the future structure of EEC sugar policy is in the air.

During the next year the Common Market will have to face up to some crucial questions: how to reduce the present ruinous cost of producing too much sugar; the future role of cane imports (and thereby the future of the cane refining industry in Britain); and the EEC relationship with world sugar producers, particularly those developing countries whose economies are heavily reliant on sugar exports.

The three issues are closely linked. The only reason there is not a sugar "mountain" in the EEC is because huge amounts of money (an estimated £400m in the past season) are spent on dumping surplus supplies on the world market. At times the export subsidy paid out has greatly exceeded the world market price of around £90 a tonne. Even more senseless is that the dumping of surpluses on the world market in this way depresses the price even further and raises the cost of the subsidy.

Creation of surplus

But the powerful beet lobby in the Community is quick to point out that the size of EEC surplus sugar exports is inflated by the 1.3m tonnes of cane sugar imported annually from developing countries.

So the debate about future EEC sugar supplies must include not only means of controlling domestic beet production, but also the Community attitude to cane imports and the trends in the world sugar market.

The stimulus given to sugar output in the Community by higher prices and production quotas, especially in the panic that followed the "shortage" in 1974, has created a surplus of supplies even without the imports of cane sugar.

Given reasonable weather conditions EEC beet production is expected to reach some 11m tonnes this season. Consumption within the Community is likely to be below 9.5m tonnes, so there will be 1.5m tonnes domestic surplus in addition to the 1.3m tonnes of cane imports.

Demand for sugar in the Common Market, like other industrialised countries, is stagnant. In Britain demand has fallen from 2.6 to 2.4m tonnes annually.

So the surplus can be expected to continue, unless some positive measures are taken to reduce plantings. The main debate among Common Market countries on the new regime will centre on a carve up of quotas. At the moment production of sugar in the EEC is supposedly controlled by quotas—each country is assigned a basic "A" quota, which receives the full guaranteed price; a "B" quota, which receives 70 per cent of the guarantee; and a "C" quota that has no protection at all.

Past performance is expected to be an important influence in deciding what quotas will be allocated to individual countries. The British Sugar Corporation has been making desperate efforts to increase its output as much as possible. Beet plantings have been raised to record levels and processing capacity has been increased to 1.25m tonnes, under a crash expansion programme.

Unfortunately for the Corporation the weather has been unkind. There were three disastrous years, from 1975 to 1977, when crop yields were very low. Only last year did yields return to anywhere near normal levels and a crop of over 1m tonnes was produced; still below the existing A quota for the UK.

Nevertheless the drive to increase UK beet production has put pressure on the domestic sugar market and cane refiners in particular. Before Britain's entry into the EEC, the market was "managed" by the Government. There was a commitment under the Commonwealth Sugar Agreement to import some 1.7m tonnes at a negotiated fixed price. Domestic beet production provided the remaining sugar required. The Government set an equalised selling price for both cane and beet sugar. A shortfall in domestic beet or Commonwealth imports was made up from other sources but otherwise the market was closed.

One of Britain's conditions before joining the EEC was that cane sugar imports from the Commonwealth countries should be retained, because of their importance to the supplying countries.

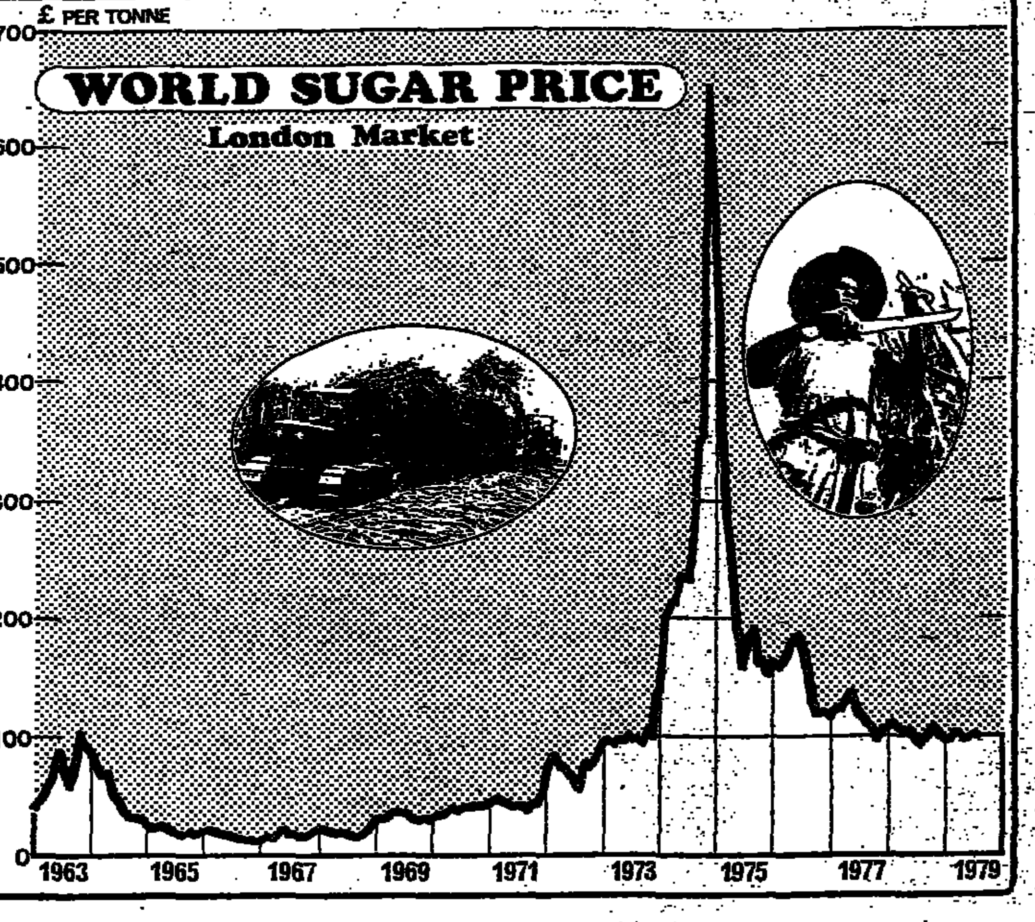
After a long wrangle, it was agreed to continue importing cane sugar under a new agreement (part of the Lomé Convention) between the EEC and the African-Caribbean-Pacific (ACP) sugar exporters, which included the Commonwealth suppliers.

However Australia, which had previously supplied 350,000 tonnes a year under the Commonwealth Agreement, was excluded since it was not considered to be a developing country dependent on sugar exports. This meant an immediate loss of 350,000 tonnes production for the UK cane refining industry, which was already suffering from problems of over-capacity.

The expansion in domestic beet production and the decline in consumption have, since added further to the cane refiners' problems. So has an inflow of imports of EEC beet sugar, amounting to 200,000 tonnes a year.

Something drastic had to be done to reduce the very costly surplus of cane refining capacity in Britain, especially once Australian supplies were forced out.

In the face of strong opposition from the unions, Tate and Lyle's reduced its workforce and capacity by closing down its Hammersmith refinery, ceasing refining at Manbré's Sankey plant and cutting capacity at its Liverpool refinery back to 300,000 tonnes. The Plaistow refinery producing sugar for export was also closed. Its Thames refinery produces 900,000 tonnes a year, and the two Greenock refiners 250,000 tonnes—140,000 at Westburns and 110,000 at Walkers—making a total output of 1.45m tonnes.



But the company claims it can sell only a maximum of 1,235,000 tonnes and that the excess idle capacity is costing it over £3m a year. It also claims to be losing money on exports—now down to 50,000 tonnes compared with over 300,000 tonnes a few years ago because of the very depressed world market conditions.

Emphasis on beet

Hence the urgent need to reduce capacity still further by closing the Walkers refinery—its oldest and the original base upon which the Lyle business was founded before its merger with Tate's.

The company claims that at present the whole EEC sugar regime is geared to beet production, since it was conceived before the UK joined. Britain is the only member with a sizeable cane refining industry. It believes that there has to be recognition of this central fact if the UK cane refining industry is to survive.

Its survival is not only crucial to Tate and Lyle, but also to a much wider range of interests outside the Community, in particular to the African-Carribbean-Pacific countries supplying cane sugar under the Lomé Convention. All but a small part of the 1.3m tonnes the EEC has pledged to import on an annual basis comes to Britain. There is nowhere else it can go.

So if financial pressures force Tate and Lyle to cut capacity still further, perhaps just retaining the Thames refinery, ACP shipments would be cut back drastically even though the Lomé Convention commitment is of indefinite duration.

The EEC beet lobby would, therefore, have achieved by indirect means what it has long advocated—that it makes no sense to import cane sugar into the Community, which is already more than self-sufficient. Much better, argue the beet growers, that the EEC gives some financial aid to compensate for the loss of earnings.

Cane producers are quick to disagree. They point out that financial aid does not create jobs, and it leaves the recipient countries in a vulnerable position should they incur the displeasure of the Community.

At the same time there is a strong case, apart from the survival of the UK cane refining industry, for the EEC continuing to import cane sugar. Dependence on one source of supply can be dangerous, particularly with agricultural crops.

Bad weather conditions in one country in the Community tend to be reproduced in all member countries. So a shortfall in British beet production, for example, might not be met from other EEC countries. This is not the case with cane sugar, where production comes from all over the world.

Cane suppliers argue that the only real answer is for the EEC to cut back sugar production. This would not only relieve the pressure on the world market, which is being undermined by heavily subsidised EEC exports, but also save the Community itself a great deal of money. They claim that it is the expansion in EEC output, accelerated by the granting of incentives to growers after the 1974 shortage, that has helped create the current disastrous situation with world sugar prices well below the cost of output even for the most efficient producers.

After taking out special deals like the agreements between the EEC and ACP countries, Russia and Cuba, and of course domestic consumption, the free market in sugar accounts for about 18m tonnes out of world output of over 90m tonnes, but is very important to countries relying on sugar export earnings.

Because it is a residual market, values tend to fluctuate wildly—they reached a peak of £650 a tonne in 1974 and by 1978 had slumped back to £80. An attempt to stabilise the market is being made by the International Sugar Agreement, which came into force at the beginning of 1978. The pact, between leading exporting and importing countries, aims to use a system of export quotas and financing of surpluses held off the market to keep world sugar prices in a range of between 11 to 21 cents a pound.

It has not worked yet, however. Prices remain well below the minimum level of 11 cents, despite the cutting back of sales by producing countries. One reason is that the U.S. has so far failed to ratify the Agreement because of an argument in Congress over domestic sugar policy. This has prevented the introduction of levies to finance the proposed buffer stock arrangement to remove surpluses from the market.

The second reason is that the EEC has not only failed to join the Agreement, but also continues to dump subsidised sugar exports on the world market. The 3m tonnes exported by the EEC is a large proportion of the total free market of 18m tonnes. The Community is currently by far the largest single supplier, not hampered by quotas or the need to obtain an economic price.

The EEC's refusal to join the Agreement, despite heavy political pressure from developing countries, is due to French insistence that limitation of exports would undermine the whole Community sugar regime.

Tarnished image

There has been talk of the EEC adopting a parallel policy—that is cutting back exports in line with the quotas imposed on other leading exporters. But negotiations are at a very early stage and it seems likely that little progress will be made until the EEC has decided on its new sugar regime, due to come into effect from 1980-81.

But if the U.S. does eventually ratify its membership of the International Sugar Agreement as expected in the next few months, the EEC will be under extreme pressure to join as well.

Apart from the national intrests, which are likely to dominate the sugar regime discussions, there are wider issues for the EEC to consider. One is the damaging influence on the rest of the sugar world, and particularly poor countries, of its present high-priced regime. Apart from the cost, the political image of the EEC is being severely tarnished.

It is argued that the present surplus is only temporary and that the world will need EEC sugar in the years ahead. But by continuing to produce too much the EEC will make the threatened shortage worse by discouraging output elsewhere in the world. No one can afford the heavy investment required for expanding sugar processing and refining capacity, while subsidised EEC exports undermine the International Agreement and keep prices at grossly uneconomic levels.

One answer may be to look at the possibility of converting more surplus sugar into alcohol. Brazil, and some other leading cane producing countries, have launched an ambitious programme to turn more sugar into alcohol for incorporation into petrol thus saving themselves large amounts of foreign exchange spent on oil imports.

As yet, however, there is not the same economic justification in the EEC; it is still far cheaper to import oil, particularly bearing in mind the high cost of sugar production in the Community. But sugar is a potential alternative source of energy that cannot be ignored, although availability of sufficient land is crucial.

Britain, having given in this year by agreeing to a rise in EEC prices and no cut back in quotas, could decide that the review of the sugar regime is a good time to press for a reform of this part of the common agricultural policy—not only to ensure the survival of the UK-cane refining industry, but also that the pledge to Commonwealth suppliers is fully honoured.

MEN AND MATTERS

British Rail sails into ferry furore

During this summer of celebrations to mark the millenium of Tynwald, the island's parliament, Manxmen have not lacked nautical diversions. The replica of a Norse longship arrived from Scandinavia; last week the King of Norway paid a visit in his royal yacht; now the ferryboat war is building up a full head of steam.

A challenge to the 149-year-old Isle of Man Steam Packet Company is being mounted by British Rail's Sealink. It has a 60 per cent share in Manx Line, which has announced cut-price fares from the mainland for the next nine monhs. This is enraging some islanders who suspect a nationalised industry of tryin to carve up an old private firm.

But I have learnt that Sealink may be having second thoughts. Financial director Len Merryweather told me: "We are presently reviewing pricing policy. I expect to have papers in front of me within a few days." This contrasts sharply with an earlier statement by another Sealink official, that control over Manx Line's commercial decisions is "minimal."

British Rail bought into Manx Line—which has a roll-on, roll-off ship operating from Heysham—last December. The remaining 40 per cent is held by James Fisher, the Barrow-in-Furness shipbrokers. The line was founded by Geoff Duke, the former motor-racing champion, but was on the edge of collapse when BR moved in.

Duke has stayed on as mnaging director, although it now looks as though his aggressive price-cutting plans may be countermanded by Sealink. Merryweather nonetheless insists: "I'm sure that Manx Line is a splendid venture."

The Steam Packet Company, in which the island's Government has a 13.5 per cent stake, is defiantly expanding its operations. Since there will not be enough traffic—especially in the winter—for both lines, some liaison might appear logical. But Manxmen dismiss the idea: some still darkly recall how the island's own airline was taken over by British European Airways—40 years ago.

Steam Packet manager Sidney Shinnin assures me that what happened in the air will not be repeated on water: "We've had several ferry rivals in the past century. They come and they go."

"What with the weather and the lack of natural breaks, I'm feeling utterly done in."

Kicked around

A Guildford family proved somewhat accident prone during a recent outing to Windsor Safari Park. The mother-in-law, complaining of the heat in the Cortina, broke the park rules and opened a window. Her reckless mood was quickly undermined, however, when an elephant poked its trunk in the window and waved it about inquiringly.

The rapidity with which the window was wound shut caused the elephant some pain and vexation, to which it gave expression by kicking in the side of the car. Sadder and wiser, the family turned for home, with a halt for a calming drink on the way.

Just after leaving the pub, they were the first on the scene at a road accident and stopped to help. Then the police arrived—and found it hard to accept that the family had not been involved in the crash, in the light of the large dent in the Cortina.

When the son-in-law explained patiently "An elephant kicked it in," the police breathalyser was quickly brought into play. A positive result has led to an £80 fine and one-year driving ban.

Big spenders

Although the Commonwealth Conference in Lusaka was like a nest of singing birds, such harmony in African get-togethers is rare. The next big event on the continent's calender is provoking dismay even while almost a year away. This is the 1980 Organisation of African Unity Conference, to be held in Freetown, the capital of Sierra Leone.

Recent experience suggests that the result is unlikely to match the expense: the 1979 OAU gathering in Liberia ended in open quarrelling, but the cost to the host nation was around £80m. International aid bodies wring their hands in despair as each African nation tries to outdo its predecessor: President Sekou Toure of Guinea has taken the hint and simply declined the honour of the 1981 "summit."

But President Siaka Stevens of Sierra Leone is anxious for the prestige. His government has given its official estimate for "dressing up" the country and running the conference as £32.5m Unofficial estimates say that allowing for inflation (running at around 40 per cent) a more probable figure is £150m.

Resentment is growing in Sierra Leone among the army of unemployed at the luxury being prepared for Africa's leaders. Sixty lavish bungalows are being erected just outside the capital, a new hotel is nearing completion and night-time entertainment spots are being extended. At the airport, six new aprons are being made for Presidential airliners.

Another cause for tension, I learn, is that many of the biggest contracts are being handed out to the tightly-knit group of Lebanese traders who dominate Sierra Leone's economy.

Earlier this year the Governor of the Bank of Sierra Leone warned of the prospect for a much increased budgetary deficit for 1979. With the political fiasco of the OAU meeting in neighbouring Monrovia fresh in mind, there is a growing possibility that the IMF—as President Stevens's principal baler-out—will be leaning on him to scale down next year's spectacular while there is yet time.

Economy hint

The report that Mrs. Thatcher is to have two Daimler Sovereigns (15 mpg) to replace two Rovers (20 mpg), reminds me of a notice I saw displayed on the back of a bicycle at the week-end: "Stop fuelling about."

Observer

هكذا من الأصل

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

At 31st JULY, 1979

The Association of International Bond Dealers (AIBD) compiles current market-quotations and yields for Eurobond issues.

These quotations and yields are published monthly by the Financial Times. The Association's prices and yields are compiled from quotations obtained from market-makers on the last working day of each month.

There is no single stock exchange for Eurobonds in the usually recognised sense—secondary market trading business is done on the telephone between dealers scattered across the world's major financial centres.

Membership of the AIBD (which was established in 1969) comprises over 450 institutions from about 27 countries.

Eurobonds in July

BY FRANCIS GHILES

The crisis of the Carter presidency had immediate practical consequences for the dollar sector of the Eurobond market last month. The confusion which surrounded the reshaping of the U.S. government led investors to adopt a strict wait and see attitude when it came to investing in dollar bonds as they tried to guess how the U.S. currency and interest rates would be affected by fast moving events in Washington.

The President's choice of Mr. *Paul Volcker to be Chairman* of the Federal Reserve Board won praise from the banking community both in the U.S. and outside.

Mr. Volcker holds "conservative" economic views in that he believes in controlling inflation and maintaining a sound dollar. He has served at the Treasury and in recent years as President of the New York Federal Reserve Bank; his views are thus well known to the banking community. The acclaim which his appointment met with also reflected relief that the President had not picked a name distinguished chiefly by political loyalty. This charge had been levelled, throughout his tenure of office, at Mr. G. William Miller who replaced Mr. Michael Blumenthal at the Treasury.

Conversely the action moved to Germany where a big rush into DM bonds developed during the last two weeks of July, and for a brief period at least to the sterling sector of the market. Following the Bundesbank's decision in the second week of July to increase its discount and Lombard rates, a strong surge of buying of Deutsche Mark denominated paper developed.

With trading at a low level in the major sector of the market during most of July, the introduction of certain new techniques in the way in which new bond issues are floated claimed the attention of bond syndication managers and dealers alike.

In its first attempt to introduce competitive bidding for a public Eurobond issue, the EIB succeeded in raising $100m at a lower cost than if it had used more traditional methods.

The changes introduced by S. G. Warburg when later in the month it arranged a $100m public issue for the Kingdom of Sweden were different in kind but the aim was the same as that of the EIB: to reduce the commissions paid by the borrower to the issuing banks.

Both these attempts to introduce a certain number of changes come less than two months after the annual meeting of the Association of International Bond dealers in London failed to agree on measures which would be introduced to bring about changes in the way new issues are floated, the banking community, by and large, felt were necessary. Both attempts made independently last month succeeded but it is far from clear whether they will be adopted quickly by other houses. The interest *they have generated suggests* that they will not be forgotten but the market will probably take its time before adopting them as normal practice.

The first major development came when the EIB invited about 50 international banks to make competitive bids for a public Eurobond issue of between $50-100m. Banks were asked by the borrower to quote the net proceeds they would offer the EIB. The price to the investors and the rewards to the banks were left to the banks to decide, after judging the level of investor demand and assessing the mood of the market.

Through this latest tactic the EIB was aiming to reduce the cost of its own bond flotations; another claim made by the borrower, that it wanted to see the small investor get a better deal, was less convincing.

Banks were invited to submit a firm tender for the purchase of all or part of the issue on the basis of one price for one or more tranches of $25m.

Banks were able to put in more than one tender for a given tranche or number of tranches, at different prices. A number of banks reacted with hostility to what the EIB was doing, not least the big three Swiss banks. Others, notably Citicorp, welcomed the idea while much of the banking community was left wondering how to respond.

The confusion was all the greater as there are no well established syndicates of banks in the Eurobond market, as is the case in New York. Were the tender system to spread to the Eurobond market, syndicates would eventually emerge. But, four weeks ago, a game akin to blind man's buff was going on among major banks to find out who was joining forces with whom to do what.

In the event, all went smoothly. Three bidders were successful. Citicorp was allotted $50m worth of bonds, Samuel Montagu and Algemene Bank Nederland $25m each. Each of the three banks bid alone and final terms for this $100m issue included a coupon of 9.70 per cent and a price to the borrower of 98.06. The price to be paid by the final investor is not known. The yield to the bidding banks, on an annual yield to maturity basis, works out at 10.016 per cent, but the effective cost to the EIB was slightly higher than this because it bore the costs of organising the tender. The EIB had nevertheless succeeded in raising funds more cheaply than if it had stuck to tradition and given a mandate to a bank to organise the bond issue.

The other innovation was introduced two weeks later by S. G. Warburg. Contrary to usual Eurobond market practice, no coupon or price for the bond was indicated by the lead manager when the $100m five-year issue for Sweden was launched. It was offered on a yield basis. The yield indicated by the lead manager, 9.90-95 per cent, at the start of the short offering period, proved sufficient to attract good demand. Final terms included a price of 99¼ and a yield of 9.95 per cent. In the secondary market the bond performed well, despite the fall in prices of seasoned issues in the dollar sector as a whole.

This innovation if followed by other banks would bring Eurobond market practices more closely in line with the rules which prevail in the Yankee bond market. Another innovation related to the commissions paid by the borrower, which were much lower than is current practice, one per cent instead of the normal 2 per cent. This 1 per cent is made up of a management fee of ½ per cent, an underwriting fee of ¼ per cent and a selling commission of ¼ per cent. Such a reduction amounted in practice to rationalising existing market practices rather than cutting the cost of raising money for the borrower. Institutional investors are usually able to get the bonds from the managers of an issue minus the full amount of the fees.

In this instance, investors, especially institutional ones, bought the bonds at the issue price. In some cases however a reallowance of ¼ per cent was granted. The good performance of this issue in the secondary market suggested the issue had been placed in firm hands: the aim of achieving better distribution of the bond and a good secondary market performance were thus achieved. The exercise was made easier by the quality and maturity of the paper. However special the circumstances, this innovation pointed to a direction in which many market participants hope the Eurobond market will move.

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The table of quotations and yields gives the latest rates available on 31st July, 1979. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members will trade in all the listed Eurobonds and the Association, its members and the Financial Times Limited do not accept any responsibility *for errors in the table.*

COMPILED FOR THE ASSOCIATION OF INTERNATIONAL BOND DEALERS BY INTERBOND SERVICES LTD. ★ *A subsidiary of data STREAM International*

ISSUED/ EST. O/S (MIO)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/ YIELD TO AVGE. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (DAYS)/ NEXT CALL DATE	NEXT SF AMOUNT (MIO)/ FIRST SF DATE
		US DOLLARS—ALGERIA							
25	1977 100.00	BQUE EXT D'ALGERIE 9.00 15/ 8/1982	94 1/4	3.04	11.33	9.55	101	30 1979	1.00 PF1978
		US DOLLARS—ARGENTINA							
30	1979* 98.50	ARGENTINE REPUBLIC 9.875 1/ 9/1984	96 3/4	5.00	10.89	10.26			
		US DOLLARS—AUSTRALIA							
30 6.7	1963 97.50	AUSTRALIA,COMMONWEALTH 5.00 1/ 4/1983 S	94 1/2	3.67 1.92	6.83 8.31	5.36	100 1/2	30 1979	.83 1965
25 1.4	1960 97.50	AUSTRALIA,COMMONWEALTH 5.25 15/ 4/1980 S	97	.71 .46	9.97 12.35	5.49	100	30 1979	.67 1962
25 2.1	1960 98.00	AUSTRALIA,COMMONWEALTH 5.25 1/10/1980 S	96	1.17 .68	9.12 11.89	5.34	100	30 1979	.67 1962
25 .7	1959 97.00	AUSTRALIA,COMMONWEALTH 5.50 15/ 9/1979 S	99 1/2	.13	9.84	5.60	100	30 1979	.70 1961
25 2.7	1961 97.00	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1981 S	96	1.92 1.18	7.58 8.71	5.81	100	30 1979	.68 1963
30 4.1	1962 98.25	AUSTRALIA,COMMONWEALTH 5.50 15/ 1/1982 S	95 3/8	2.46 1.47	7.52 8.77	5.85	100	30 1979	.81 1964
30 5.0	1962 97.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1982 S	94 5/8	2.92 1.67	7.73 9.24	5.90	100	30 1979	.83 1965
25 4.9	1962 99.00	AUSTRALIA,COMMONWEALTH 5.50 1/10/1982 S	94 1/2	3.17 1.67	7.62 9.32	5.90	101 1/4	30 1979	.69 1965
25 8.3	1965 98.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 5/1985 S	93 1/8	5.75 3.26	7.09 8.09	5.99	101	30 1979	1.39 1968
25 9.7	1965 99.75	AUSTRALIA,COMMONWEALTH 5.75 1/11/1985 S	93 1/2	6.25 3.26	7.18 8.22	6.24	103	30 1979	1.39 1968
25 9.4	1967 97.50	AUSTRALIA,COMMONWEALTH 6.50 15/ 6/1982	96 3/4	2.87 2.37	7.80 8.04	6.72	100 1/2	30 1979	1.56 1970
100	1977 100.00	AUSTRALIA,COMMONWEALTH 7.50 1/ 9/1984	90 7/8	5.09	9.86	8.25	101 1/2	90C 1981	
350	1978 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/ 4/1982	95 3/8	2.67	10.02	8.39			
125	1976 99.88	AUSTRALIA,COMMONWEALTH 8.125 15/11/1983 S	95	4.29	9.80	8.74	10.18 100	30 1982	
75	1976 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/ 6/1981 S	97 3/8	1.84	10.08	8.65			
120	1976 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/10/1983	94 3/8	4.17	9.95	8.74	101 1/2	90C 1980	
125	1977 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/12/1984 S	94 3/8	5.34	9.78	8.91	10.04 100	30 1983	
150 150.0	1977 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/ 9/1992	89 5/8	13.09 9.04	9.68 10.05	9.21	10.46 101 1/2	90C 1988	7.50 1983
50	1975 100.00	AUSTRALIA,COMMONWEALTH 9.45 15/ 6/1980 S	98 1/2	.87	10.53	8.76			
175	1978 100.00	AUSTRALIA,COMMONWEALTH 8.45 1/ 6/1983 S	96 5/8	3.84	9.74	8.94			
120	1976 100.00	AUSTRALIA,COMMONWEALTH 8.50 1/10/1986	92 7/8	7.17	9.92	9.15	101 1/2	90C 1982	
50	1975 100.00	AUSTRALIA,COMMONWEALTH 8.75 15/ 6/1983 S	97 3/8	3.87	9.80	9.19	10.05 100	30 1982	
50	1976 99.63	AUSTRALIA,COMMONWEALTH 8.75 1/ 6/1986 S	96 1/4	6.84	9.73	9.30	9.97 100	30 1984	
60 60.0	1976 99.50	AUSTRALIA,COMMONWEALTH 8.75 1/10/1991	92 3/4	12.17 8.12	9.79 10.09	9.43	10.22 101 1/2	90C 1987	3.00 1982
100 100.0	1977 98.88	AUSTRALIA,COMMONWEALTH 8.875 1/12/1997 S	94 1/8	18.34 11.35	9.79 9.97	9.65	10.17 102.28	30 1989	6.65 1983
75 75.0	1976 99.50	AUSTRALIA,COMMONWEALTH 9.00 15/11/1996 S	95 1/8	17.29 10.29	9.81 10.00	9.69	9.97 101	30 1991	5.00 1982
75 75.0	1978 99.63	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1993 S	96 3/4	13.84 9.88	9.78 9.87	9.65	10.07 102.02	30 1988	6.25 DP1985
75 75.0	1976 98.50	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1996 S	96 1/2	16.84 10.04	9.77 9.91	9.68	9.90 100.90	30 1991	3.75 1980
25 19.5	1975 99.00	PAPUA NEW GUINEA,GOVT OF 9.50 15/ 3/1983	99	3.62 2.70	9.81 9.90	9.60	100	45C 1980	2.50 DP1976
25	1977 100.50	ALCAN AUSTRALIA 8.50 15/ 4/1989	90 1/4	9.71	10.11	9.42	11.08 101 1/2	45 1985	.75 PF1979
60	1979* 100.00	ALCOA OF AUSTRALIA 10.00 15/ 6/1989	98 1/8	9.87	10.30	10.19	10.75 101 1/2	30 1984	1.50 PF1980
25 18.8	1974 100.00	AUSTRALIAN IND DEVT CORP 10.25 1/12/1981	98 7/8	2.34 1.34	10.76 11.08	10.37	100 1/2	30 1979	6.25 1978
40 40.0	1977 100.00	AUSTRALIAN MIN & SMELT'G 9.25 15/ 6/1992	92 3/4	12.87 9.36	10.28 10.50	9.97	101	30 1983	1.80 DP1980
10	1977 100.50	AUSTRALIAN RESOURCES 8.25 1/12/1982	94 1/8	3.34	10.39	8.76	11.20 100	30 1981	
30	1975 99.50	AUSTRALIAN RESOURCES 9.25 1/ 8/1980	98 1/4	1.00	11.20	9.41	100	30 1979	
30 25.2	1975 100.00	AUSTRALIAN RESOURCES 9.50 1/ 3/1983	98	3.58 3.30	10.15 10.23	9.69	100 1/2	30 1979	1.20 DP1976
30	1979*	AUSTRALIAN RESOURCES	97 3/4	5.00	10.22	9.85	10.34	45	

US DOLLARS-JAPAN (continued)

[illegible]

US DOLLARS-JAPAN (continued)

[illegible]

US DOLLARS-NEW ZEALAND (continued)

[illegible]

US DOLLARS-NORWAY (continued)

[illegible]

Austrian Quotes
Quotations and Yields of Austrian Eurobonds

ISSUE	COUPON DATES	REPAYMENT	SINKING FUND (STARTING)	PRICE BID	PRICE ASKED	CURRENT YIELD	CURRENT YIELD TO MATURITY
D-MARK BONDS							
6¾% Brenner Autobahn 1968 (G)	1.2-1.8	1.8.74-83	1.8.73	100	100½	6.73%	6.78%
6% Donaukraftwerke 1959 (G)	1.2-1.8	1.2.65-84	—	98¾	99¼	6.05%	6.33%
6¾% Donaukraftwerke 1973 (G)	1.3	1.3.73-87	1.12.77	99½	100	6.78%	6.81%
7% Girozentrale Wien 1976	1.11	1.11.81	—	100½	101¼	6.94%	6.57%
7¼% Girozentrale Wien 1976	1.11	1.11.83	—	101½	102¼	7.11%	6.70%
8¾% IAKW 1975 (G)	1.5	1.5.80-85	—	103¼	103¾	8.45%	7.97%
6¾% Kelag 1973 (S)	1.5	1.5.79-88	1.2.78	98¾	99¼	6.81%	6.88%
8¾% Oester. Draukraftwerke 1975 (G)	1.3	1.3.81-85	—	105⅞	106⅜	8.24%	7.39%
7% Oester. Elektrizateswirt 1967 (G)	1.2-1.8	1.2.73-87	—	99¾	100¼	6.99%	7.07%
7% Rep. Oesterreich 1968	1.4-1.10	1.4.73-82	1.4.72	101½	102	6.88%	6.37%
6½% Rep. Oesterreich 1969	1.4-1.10	1.4.75-83	1.1.74	99⅞	100⅜	6.49%	6.56%
9% Rep. Oesterreich 1975	1.2	1.2.83	—	103¾	104¾	8.63%	7.60%
8½% Rep. Oesterreich 1975	1.5	1.5.78-87	1.2.77	107½	108½	7.87%	7.13%
7¾% Rep. Oesterreich 1976	2.5	2.5.83-88	1.2.82	105¼	106¼	7.33%	7.68%
6¾% Rep. Oesterreich 1977	1.4	1.4.83-85	2.1.82	100½	101½	6.69%	6.56%
6½% Tauernkraftwerke 1968 (G)	1.3-1.9	1.9.74-83	1.9.73	99½	100½	6.51%	6.63%
7% Tauernkraftwerke 1968 (G)	1.2-1.8	1.2.74-83	—	101¾	102¼	6.87%	6.49%
9½% Tauernautobahn 1974 (G)	1.7	1.7.81	—	104¾	105½	9.04%	6.60%
8½% Voest 1975	1.10	1.10.79-88	1.6.78	102¼	103½	8.27%	8.07%
8½% Voest 1973	1.6	1.6.81-85	—	105	105¾	8.07%	7.35%
6¾% Voest 1977	1.6	1.6.84-89	—	98⅞	99⅜	6.81%	6.87%
7% Wien 1968	1.6-1.12	1.6.74-83	1.6.73	100	100¾	6.97%	6.98%
8¼% Wien 1975	1.8	1.8.79-84	—	102½	103¼	8.02%	7.55%
U.S.$ BONDS							
6% Rep. Austria 1964	31.1-31.7	31.1.71-84	3.1.70	97½	98	6.14%	6.69%
6¾% Rep. Austria 1967	15.3-15.9	15.3.72-82	15.3.71	97½	98	6.91%	7.81%
8¾% Rep. Austria 1976	15.8	15.8.78-90	15.8.77	97¼	97¾	8.99%	9.13%
6⅝% Aust. Electricity 1966 (G)	1.1-1.7	1.7.70-86	1.7.69	98¼	99	6.72%	6.98%
6¾% Aust. Electricity 1967 (G)	1.4-1.10	1.10.71-82	1.10.70	98¼	99	6.84%	7.34%
5¾% Alpine Montan 1965 (G)	15.6	15.6.72-85	15.6.71	93¼	93¾	6.15%	7.12%
8¼% Tauernautobahn 1977 (G)	15.3	15.3.83-87	15.3.82	92¼	92¾	8.92%	9.66%
6½% Transalpine Fin. Hldg. 1966	31.10	31.10.70-85	31.10.69	92½	93½	6.99%	7.94%
6¾% Transalpine Fin. Hldg. 1966	31.7	31.7.70-85	13.7.69	93¾	94¾	7.16%	7.97%
6¾% Transalpine Fin. Hldg. 1967	31.1	31.1.73-82	31.1.72	97½	98½	6.89%	7.64%
6¾% Transalpine Fin. Hldg. 1967	30.4	30.4.74-83	30.4.73	96½	97½	6.98%	7.76%
7½% Trans-Austria Gasline 1973	15.1	15.1.77-88	15.1.76	85¾	86¾	8.70%	9.94%
DOMESTIC ISSUES							
8% Investitionsanleihe 1973/II/B	3.7	3.7.76-81 (102)	—	101½	102	7.87%	8.11%
8½% Investitionsanleihe 1974/II/B	22.10	22.10.75-82	—	100	100¾	8.47%	8.38%
8½% Investitionsanleihe 1975/III/B	28.10	28.10.76-84 (103)	—	101⅞	102⅛	8.35%	8.63%
8½% Investitionsanleihe 1975/S/III U.IV	27.11	27.11.79-85	—	102¾	103½	8.24%	8.33%
8½% Investitionsanleihe 1976/S	20.2	20.2.81-86 (104)	—	102⅛	102⅞	8.29%	8.48%
8% Investitionsanleihe 1976/S/II	2.7	2.7.83-86	—	98⅝	99⅜	8.08%	8.19%
8% Investitionsanleihe 1977/S/III/B	2.6	2.6.82-87	—	98⅝	99⅜	8.08%	8.18%
8% Investitionsanleihe 1977/II/B	15.9	15.9.82-86	—	98¾	99¾	8.08%	8.17%
8% Investitionsanleihe 1978/II/C	7.6	7.6.86	—	98½	99⅜	8.08%	8.19%
7¾% Investitionsanleihe 1978/5/C	3.10	3.10.86	—	97	97¾	7.96%	8.25%
7¼% Investitionsanleihe 1979-87/II	13.10	13.10.87	—	95	96	7.59%	8.05%
8% Energieanleihe 1978/C	1.3	1.3.86	—	99	99¾	8.05%	8.21%
8½% Wiener Stadtanleihe 1975/B	29.4	29.4.76-83	—	100	100¾	8.47%	8.33%
8% Wiener Stadtanleihe 1977/B	10.5	10.5.82-87	—	98½	99¼	8.09%	8.20%
8% Wiener Stadtanleihe 1978/I/C	3.5	3.5.86	—	98½	99¼	8.09%	8.21%
8% Europaeische Investitionsbank 1976	20.10	20.10.80-86 (100.5)	—	98¼	99	8.11%	8.30%
7¾% Europaeische Investitionsbank 1978	22.12	22.12.86 (100.5)	—	96¾	97¼	7.98%	8.27%
8% Inter-Am. Entwicklungsbank 1976	17.12	17.12.81-86	—	98¼	98¾	8.12%	8.28%
8% Tag Finco Anleihe 1976	19.11	19.11.81-86 (100)	—	98	98¾	8.13%	8.30%
8% Sparkassenanleihe 1977/S/B	26.7	26.7.80-83	—	99½	100	8.02%	8.12%
7¾% Sparkassenanleihe 1978/S/C	4.7	4.7.86	—	98	98½	7.89%	8.08%

(R) Purchase for redemption purposes by issuer possible. The bonds so purchased may be used for repayment according to plan. (...) Repayment at a premium. (G) Government Guarantee. (S) Local Government Guarantee. Yield calculations are based on the middle price.

Issued/ Est. O/S (Mio)	Year of issue/ Issue price	Borrower/ Coupon Maturity	Price	Life/ Average life	Yield to maturity/ Yld. to avge. life	Current yield	Yield to next call/ Next call price	Call not. (days)/ Next call date	Next S/F amount (Mio)/ First S/F date
		US DOLLARS-SWEDEN (CONTINUED)							
15 / 4.0	1967 / 99.75	ERIKSBERGS 6.75 15/ 3/1982	95 1/2	2.62 / 1.52	6.71 / 9.83	7.07	100	30 / 1979	1.35 / DP1969
20 / 20.0	1977 / 99.50	ESSELTE 8.50 15/ 2/1984	93 3/8	4.35 / 2.85	10.37 / 11.34	9.10	101 1/2	45 / 1981	3.00 / 1980
15 / 3.0	1965 / 99.00	GOTAVERKEN 6.00 1/12/1980	95 7/8	1.34 / .84	9.38 / 11.47	6.26	100	30 / 1979	1.50 / 1971
40	1977 / 100.00	GOTAVERKEN 7.625 15/ 9/1982	93 5/8	3.13	10.09	8.14			
40	1976 / 100.50	GOTAVERKEN 8.00 15/ 1/1982	95 1/2	2.46	10.11	8.38			
40 / 38.0	1977 / 99.50	GOTAVERKEN 8.125 15/ 9/1987	90 5/8	8.13 / 6.07	9.85 / 10.27	8.97	101	45 / 1982	2.00 / 1978
20	1976 / 99.00	GOTAVERKEN 8.25 1/10/1983 P	93 3/4	4.17	10.15	8.80	101 1/2	30 / 1980	
30 / 30.0	1976 / 100.00	GOTAVERKEN 8.25 15/ 1/1985	93 3/4	5.46 / 3.46	9.76 / 10.46	8.80	101	60 / 1982	6.00 / 1981
30	1977 / 99.50	GOTHENBURG, CITY OF 8.75 15/12/1987	92 1/8	8.38	10.17	9.30	10.88 / 100 3/4	30C / 1984	1.88 / PF1978
15 / 8.1	1967 / 97.30	GRANGES 6.75 16/10/1987 S	85 3/8	8.21 / 4.21	9.55 / 11.51	8.06	102	30T / 1979	.90 / 1970
16 / 10.0	1971 / 100.00	GRANGES 8.50 15/ 2/1989	91 1/4	9.55 / 5.05	9.95 / 10.83	9.32	104	30C / 1981	1.00 / 1973
30	1975 / 100.00	GRANGES 9.75 15/12/1980	98 3/8	1.38	10.99	9.91	101	45 / 1979	
20 / 15.0	1975 / 98.00	GRANGES 9.75 1/ 5/1985	98 1/2	5.75 / 4.50	10.09 / 10.17	9.90	102	45C / 1980	1.25 / DP1976
15 / 2.5	1965 / 99.25	KOCKUMS 6.00 1/ 9/1980	98 3/8	1.09 / .59	7.60 / 9.05	6.10	100	30 / 1979	1.25 / 1969
50 / 50.0	1976 / 100.00	KOCKUMS 8.00 15/11/1983	94 3/4	4.29 / 2.29	9.53 / 10.66	8.44	101 1/2	45 / 1980	10.00 / 1979
20 / 8.4	1966 / 97.25	L.M. ERICSSON 6.50 15/ 3/1986 S	94 7/8	6.62 / 3.62	7.63 / 8.33	6.97	101 1/2	90T / 1980	1.20 / 1969
35	1976 / 100.00	L.M. ERICSSON 8.50 15/ 9/1983	94 7/8	4.13	10.07	8.96	101	45C / 1980	
30 / 30.0	1977 / 100.50	L.M. ERICSSON 8.50 15/ 4/1989	92 5/8	9.71 / 6.71	9.69 / 10.05	9.18	101 1/2	45C / 1982	2.00 / DP1980
20 / 19.2	1970 / 99.50	L.M. ERICSSON 9.25 1/12/1985	98 7/8	6.34 / 3.88	9.47 / 9.60	9.36	10.29 / 100 1/4	45C / 1980	2.25 / 1971
35 / 31.5	1976 / 100.00	L.M. ERICSSON 9.25 15/ 9/1991	95 3/8	12.13 / 10.28	9.92 / 9.99	9.70	10.69 / 101 1/2	45C / 1984	1.10 / DP1977
35	1976 / 100.00	MO OCH DOMSJO 9.00 15/10/1986	90	7.21	11.07	10.00	101 1/2	60 / 1981	1.75 / PF1977
25	1976 / 100.00	MO OCH DOMSJO 9.50 15/ 2/1983	94 1/4	3.55	11.52	10.08	100 1/2	60 / 1980	1.00 / PF1977
50	1977 / 99.25	SAAB-SCANIA 8.50 15/ 3/1989	90 1/4	9.62	10.12	9.42	101 1/2	30C / 1983	2.50 / PF1978
15 / 12.0	1971 / 98.50	SANDVIK 9.00 1/ 8/1986 S	96 1/8	7.00 / 4.32	10.02 / 10.39	9.38	102	45T / 1981	.75 / 1973
30 / 25.5	1976 / 100.50	SANDVIK 9.50 15/ 4/1986	97 1/4	6.71 / 4.88	10.06 / 10.23	9.77	102	45 / 1981	1.50 / 1977
30 / 26.0	1972 / 100.25	SCANRAFT 7.50 15/12/1990	87 7/8	11.38 / 7.43	9.26 / 9.86	8.53	100 3/8	30 / 1980	1.00 / DP1975
30 / 27.5	1973 / 99.75	SCANRAFT 8.625 15/10/1988	93 1/2	9.21 / 6.81	9.71 / 9.98	9.22	100 3/8	30 / 1979	1.00 / DP1975
40 / 38.0	1976 / 100.00	SKANDINAVISKA ENSKILDA 9.00 1/12/1991	94 1/4	12.34 / 7.76	9.81 / 10.10	9.55	103	30 / 1982	1.50 / 1977
30 / 27.0	1977 / 100.50	SKF 8.00 15/ 1/1987	91	7.46 / 5.42	9.74 / 10.22	8.79	101	30 / 1982	1.88 / DP1978
20 / 20.0	1976 / 99.50	SODRA SKOGSAGARNA 9.50 15/12/1986	88 5/8	7.38 / 4.98	11.87 / 12.71	10.72	101 1/2	45 / 1981	3.00 / 1981
20 / 20.0	1976 / 99.50	SPARBANKERNAS BANK 8.75 1/ 9/1983	96 5/8	4.09 / 2.19	9.78 / 10.56	9.06	11.08 / 101	90C / 1981	3.50 / 1979
35 / 27.5	1977 / 100.00	SPARBANKERNAS BANK 8.75 15/ 1/1988	94	8.46 / 4.53	9.81 / 10.45	9.31	11.15 / 101	90C / 1983	3.00 / 1979
40	1977 / 100.50	STATSFORETAG 7.75 1/ 2/1982	94 1/2	2.51	10.31	8.20			
30	1975 / 99.00	STATSFORETAG 9.25 15/ 9/1980	98 5/8	1.13	10.56	9.38	100	1979	
50 / 50.0	1977 / 100.00	STOCKHOLM, CITY OF 8.875 15/ 2/1992 S	94 1/2	12.55 / 8.05	9.87 / 10.12	9.61	10.38 / 102.05	30 / 1987	5.00 / DP1983
60 / 60.0	1979* / 99.00	STOCKHOLM, CITY OF 9.75 15/ 3/1994 S	99 1/4	14.62 / 10.12	10.09 / 10.11	10.06	10.45 / 103.37	30 / 1987	6.00 / DP1985
30 / 27.5	1976 / 99.00	SVENSKA HANDELSBANKEN 9.25 1/ 3/1986	97 1/2	6.58 / 4.73	9.76 / 9.92	9.49	101	90C / 1981	1.00 / 1977
25 / 16.0	1976 / 100.00	SWEDISH EXPORT CREDIT P 7.875 15/10/1983 S	95 1/2	4.21 / 2.18	9.39 / 10.48	8.42	101	30C / 1980	1.80 / 1977
25 / 11.0	1975 / 99.00	SWEDISH EXPORT CREDIT 9.00 15/ 4/1982	98 3/8	2.71 / 1.75	9.67 / 10.01	9.15	100 1/2	30 / 1979	3.50 / 1976
20 / 20.0	1979* / 100.00	SWEDISH EXPORT CREDIT P 9.50 15/ 4/1986 S	98 1/2	6.71 / 3.95	10.05 / 10.21	9.88	10.92 / 101 1/2	30C / 1982	1.43 / 1980
15 / 12.9	1973 / 100.00	SWEDISH INVESTMENT BANK 7.50 15/ 1/1988	89	8.46 / 5.17	9.43 / 10.34	8.43	101	45C / 1981	.50 / 1974
15 / 12.0	1972 / 99.00	SWEDISH INVESTMENT BANK 7.75 1/11/1987	96	8.25 / 4.96	8.43 / 8.77	8.07	101	45C / 1980	.50 / 1973
15 / 15.0	1976 / 100.00	SYDKRAFT 9.25 15/ 9/1986	94 3/4	7.13 / 4.93	10.32 / 10.67	9.76	101 1/2	60 / 1981	2.00 / 1981
30 / 20.6	1976 / 100.00	UDDEVALLAVARVET P 7.75 1/12/1983 S	95 1/4	4.34 / 2.35	9.30 / 10.26	8.30	101	30C / 1980	2.30 / 1977
23 / 23.0	1977 / 100.00	UDDEVALLAVARVET P 7.75 15/ 9/1984	91 1/2	5.13 / 4.04	9.94 / 10.43	8.47	101	30 / 1981	2.50 / 1980
25 / 22.6	1972 / 100.50	VOLVO 8.00 1/ 9/1987	90 3/8	8.09 / 5.25	9.77 / 10.48	8.85	101 1/2	60 / 1980	1.20 / DP1977
35	1977 / 100.00	VOLVO 8.00 1/ 3/1987	89 1/8	7.58	10.10	8.98	101 1/2	60 / 1982	1.75 / PF1978
25	1975 / 99.50	VOLVO 9.50 1/ 3/1985	98 1/8	5.58	9.93	9.63	101 1/2	60 / 1980	1.25 / PF1976
		US DOLLARS-SWITZERLAND							
35 / 11.7	1971 / 100.00	ALUSUISSE INT XW 7.00 1/ 7/1981	97 1/8	1.92 / 1.42	8.68 / 9.29	7.21	100 1/2	1979	5.93 / 1976
75	1977 / 100.00	FIAT FIN CORP 8.00 1/ 8/1982	93 1/4	3.00	10.75	8.58	100 1/2	30C / 1981	
35 / 28.0	1972 / 98.50	SWISS ALUMINIUM AUST LTD 8.00 1/ 7/1987	95 1/4	7.92 / 4.42	8.86 / 9.37	8.40	102	30 / 1981	3.50 / 1978
		US DOLLARS-VENEZUELA							
15 / 1.5	1965 / 99.00	VENEZUELA, REPUBLIC OF 6.25 15/ 4/1980 S	97	.71 / .54	11.06 / 12.60	6.35	100	30 / 1979	.50 / DP1966
100	1977 / 99.89	VENEZUELA, REPUBLIC OF 7.875 15/ 6/1982 S	94 1/2	2.87	10.38	8.51			
100	1977 / 99.50	VENEZUELA, REPUBLIC OF 8.00 15/ 2/1984	91 3/8	4.55	10.45	8.76	101	30 / 1981	
100	1977 / 99.75	VENEZUELA, REPUBLIC OF 8.125 15/10/1984 S	92 1/4	5.21	10.32	9.00	10.71 / 100	30 / 1983	
50 / 50.0	1977 / 99.50	VENEZUELA, REPUBLIC OF 8.75 15/10/1992 S	91 5/8	13.21 / 8.71	10.14 / 10.48	9.78	10.71 / 101.92	30 / 1987	5.00 / DP1983
15 / 10.8	1972 / 100.00	VENEZUELA TEL 8.25 15/12/1987 S	92 1/4	8.38 / 5.30	9.85 / 10.38	9.14	101	30 / 1980	.35 / DP1973
		US DOLLARS-UTD KINGDOM							
200	1978 / 100.00	UNITED KINGDOM 8.50 1/ 5/1985 S	95 7/8	5.75	9.66	9.06	9.83 / 100	30 / 1984	
150 / 150.0	1978 / 99.00	UNITED KINGDOM 8.875 1/ 5/1993 S	94 7/8	13.75 / 9.74	9.78 / 9.93	9.57	10.16 / 101.82	30 / 1988	16.70 / DP1985
30 / 30.0	1973 / 100.00	AIRLEASE INT FIN 8.75 1/10/1988	94 1/2	9.17 / 4.67	9.67 / 10.30	9.26	102	60 / 1980	3.00 / DP1979
20 / 16.0	1971 / 100.00	AIRLEASE INT FIN 9.00 1/ 8/1986	97	7.00 / 3.50	9.61 / 10.09	9.28	102	60 / 1981	2.00 / DP1975
30 / 30.0	1979* / 99.00	ALEXANDER HOWDEN FIN WW 9.50 1/ 6/1991	90 7/8	11.84 / 8.77	10.90 / 11.17	10.45	12.00 / 102	30 / 1985	2.00 / DP1984
30 / 30.0	1979* / 99.00	ALEXANDER HOWDEN FIN XW 9.50 1/ 6/1991	83 1/4	11.84 / 8.77	12.24 / 12.77	11.41	102	30 / 1985	2.00 / DP1984
60 / 45.0	1977 / 100.50	ASHLAND OIL (GB) 7.50 1/ 5/1982	95 1/4	2.75 / 1.75	9.52 / 10.57	7.87	101 1/2	30 / 1979	15.00 / 1979
20 / 15.9	1972 / 99.50	B.I.C.C. FIN 7.75 1/ 2/1987	89 1/2	7.51 / 4.26	9.77 / 10.95	8.66	101	60C / 1982	1.35 / DP1975
30 / 24.0	1971 / 100.00	BARCLAYS BANK INT 8.25 1/12/1986	96 3/8	7.34 / 3.84	8.93 / 9.41	8.56	102	60 / 1979	3.00 / DP1977
50 / 50.0	1976 / 100.00	BARCLAYS BANK INT P 9.125 1/ 4/1985	97	5.67 / 4.67	9.82 / 9.93	9.41			16.00 / 1983
25 / 25.0	1976 / 100.00	BARCLAYS BANK INT 9.125 15/ 4/1987	95 5/8	7.71 / 6.71	9.95 / 10.03	9.54			8.00 / 1985
50	1975 / 100.00	BARCLAYS BANK INT 9.25 1/ 7/1982	98 7/8	2.92	9.70	9.36	101	60 / 1980	1.00 / PF1977
100	1977 / 100.00	BARCLAYS O'SEAS INVEST 8.50 15/ 9/1992	91 1/8	13.13	9.72	9.33	101 1/4	45 / 1984	4.00 / PF1978
1	1967 / 100.00	BEECHAM INT 6.25 31/ 7/1981 S	90 1/4	2.00	12.22	7.05	101	30 / 1979	
45 / 31.0	1971 / 100.00	BEECHAM INT 8.25 1/ 2/1986	93 1/2	6.51 / 4.46	9.62 / 10.11	8.82	100	60 / 1981	2.50 / 1974
50 / 50.0	1977 / 100.00	BOWATER CORP 9.25 15/ 5/1992	92 1/8	12.79 / 9.55	10.38 / 10.59	10.04	11.36 / 101 1/2	60 / 1985	2.00 / DP1981
30	1976 / 100.00	BOWATER CORP 9.75 15/ 7/1986	97 3/4	6.96	10.21	9.97	11.13 / 101 1/2	60 / 1982	1.25 / PF1977
34	1974 / 100.00	BRISTOL, CITY & COUNTY OF 8.875 1/ 3/1980 S	98 1/2	.58	11.91	9.21			
60	1976 / 100.00	BRITISH GAS 9.00 1/ 2/1981	98 1/4	1.51	10.23	9.16			
16 / 14.4	1972 / 99.00	BRITISH LAND 8.00 1/11/1987	88 1/2	8.25 / 4.25	10.11 / 11.55	9.04	103	90 / 1980	1.60 / 1978
65 / 65.0	1977 / 100.00	BRITISH SHIPBUILDERS 9.00 1/11/1992	86 1/2	13.25 / 10.79	10.97 / 11.21	10.40	102	45 / 1982	10.00 / 1987
50 / 47.5	1974 / 99.00	BRITISH STEEL CORP 8.625 15/ 1/1989	93 3/4	9.46 / 5.93	9.65 / 10.06	9.20	102	45C / 1981	2.50 / DP1979
30 / 29.0	1972 / 100.00	CADBURY SCHWEPPES O/S 7.75 15/10/1990	86 1/4	11.21 / 7.35	9.82 / 10.50	8.99	102	60 / 1980	1.00 / DP1978
25 / 16.2	1973 / 98.50	CAPITAL & COUNTIES PROP. 9.00 1/11/1988	90 5/8	9.25 / 4.75	10.63 / 11.67	9.93	102	60 / 1981	2.50 / DP1979
50 / 50.0	1977 / 99.50	CAVENHAM INTL BV 9.50 15/12/1987	93 1/8	8.38 / 5.62	10.77 / 11.20	10.20	102	30 / 1982	1.00 / 1979
30 / 27.9	1971 / 100.00	COMMERCIAL UNION 8.50 15/12/1986	94 1/4	7.38 / 4.83	9.61 / 10.05	9.02	102	60 / 1979	.70 / DP1976
20 / 6.4	1970 / 100.00	COURTAULDS INT FIN 9.00 1/ 2/1982 S	97 7/8	2.51 / 1.51	10.23 / 10.85	9.41	100	60 / 1979	2.15 / 1972
20 / 13.0	1970 / 98.00	COURTAULDS INT FIN 9.25 1/10/1985	98 1/4	6.17 / 3.75	9.63 / 9.84	9.41	100	60 / 1980	1.50 / 1971
25	1973 / 100.00	COVENTRY, CITY OF 8.25 1/ 5/1980	97 3/4	.75	11.43	8.44			
20	1974 / 98.75	COVENTRY, CITY OF 8.875 1/ 2/1981	98	1.51	10.30	9.06	100 1/2	30 / 1980	
25 / 21.0	1973 / 100.00	DUNDEE, CITY OF 9.25 15/10/1983	97 5/8	4.21 / 2.30	9.95 / 10.44	9.48			4.00 / 1979
25	1973 / 100.00	EDINBURGH, CITY OF 9.00 1/11/1981	97 1/2	2.25	10.26	9.23			
50	1976 / 99.50	ELECTRICITY COUNCIL 8.75 15/ 3/1981	98 1/8	1.62	9.99	8.92			
15 / 6.0	1967 / 98.50	EMI 6.75 15/11/1982	94 3/8	3.29 / 1.79	8.77 / 10.35	7.15	100 1/2	30 / 1979	1.50 / 1973
50 / 50.0	1977 / 100.00	EMI FINANCE BV 9.25 15/ 4/1989	90 3/8	9.71 / 8.01	10.89 / 11.12	10.24	11.85 / 101 1/2	45 / 1985	4.00 / DP1983
20 / 17.1	1972 / 100.50	FISONS 8.25 1/ 7/1987	91	7.92 / 5.01	9.94 / 10.66	9.07	101	60C / 1980	1.10 / DP1975
20 / 20.0	1977 / 100.00	FISONS INT FIN 8.75 1/ 8/1992	87 5/8	13.09 / 9.83	10.54 / 10.86	9.99	101	45 / 1985	1.00 / DP1982
75	1973 / 99.00	GLASGOW, CITY OF 8.25 15/ 5/1980	98	.79	10.93	8.42			
25 / 18.2	1971 / 100.00	G.U.S. INTERNATIONAL 8.50 1/ 3/1986	93 1/4	6.59 / 3.88	9.92 / 10.70	9.12	102	45 / 1981	1.70 / 1976
15 / 13.5	1974 / 100.00	G.U.S. INTERNATIONAL 9.50 5/ 4/1989	96 1/2	9.68 / 5.79	10.07 / 10.31	9.84	10.81 / 102	45 / 1984	1.00 / 1978
25 / 21.0	1975 / 100.00	GOLD FIELDS (BERMUDA) 10.25 15/ 7/1985	99 7/8	5.96 / 4.77	10.27 / 10.29	10.26	10.37 / 100 1/4	30 / 1982	1.00 / DP1976
25 / 23.0	1972 / 98.50	GRAND METROPOLITAN HOTEL 7.50 15/12/1987	88 5/8	8.38 / 4.81	9.52 / 10.63	8.46	101	45T / 1980	2.00 / 1975
15 / 9.0	1970 / 100.00	GRAND METROPOLITAN HOTEL 9.25 1/ 1/1986	98 3/8	6.42 / 3.59	9.56 / 9.79	9.40	10.45 / 100	30C / 1981	1.20 / 1974
30 / 26.0	1972 / 98.75	GUARDIAN ROYAL EXCHANGE 8.00 1/ 7/1987	90	7.92 / 5.92	9.87 / 10.34	8.89	101	60 / 1980	1.30 / DP1975
25 / 22.0	1972 / 100.50	HAMBROS 7.75 1/10/1987	88 1/2	8.17 / 5.85	9.86 / 10.48	8.76	101 1/2	30 / 1980	1.00 / DP1976
24 / 15.6	1970 / 100.00	HAMBROS 9.50 15/12/1985	98 5/8	6.38 / 3.95	9.78 / 9.93	9.63	101	60C / 1980	1.40 / 1971
20	1970 / 98.50	HILL SAMUEL GROUP WW 7.00 31/ 3/1982	91	2.67	11.04	7.69	100	30 / 1979	
		US DOLLARS-UTD KINGDOM (CONTINUED)							
20	1970 / 98.50	HILL SAMUEL GROUP XW 7.00 31/ 3/1982	89 7/8	2.67	11.59	7.79	100	30 / 1979	
20 / 15.5	1971 / 100.00	HILL SAMUEL GROUP 8.50 15/11/1986	94 3/8	7.29 / 4.10	9.59 / 10.24	9.01	100 1/4	30 / 1979	1.50 / DP1974
30 / 18.0	1967 / 99.50	ICI LTD 6.50 15/ 3/1982	96 3/8	2.62 / 1.62	8.06 / 8.95	6.74	101	90T / 1980	6.00 / 1978
50 / 43.5	1972 / 100.00	ICI INT FIN 7.50 1/ 2/1992	90 3/8	12.51 / 5.85	8.75 / 9.66	8.28	100 1/2	45C / 1980	3.25 / 1978
100 / 100.0	1977 / 100.00	ICI INT FIN 8.25 1/ 1/1987	91 3/8	7.42 / 6.02	9.98 / 10.29	9.05	101 1/2	90C / 1983	10.00 / 1983
25 / 23.0	1972 / 100.00	KLEINWORT BENSON 8.25 15/ 5/1987	90 1/2	7.75 / 5.27	10.05 / 10.70	9.12	102	60 / 1980	1.00 / DP1978
30 / 22.5	1973 / 100.00	LANCASHIRE C.C. 9.50 15/ 9/1981	98 1/2	2.13 / 1.13	10.29 / 10.94	9.64			7.50 / 1978
30 / 25.2	1973 / 100.00	LEGAL & GENERAL ASSCE 7.625 1/ 2/1988	87 1/4	8.51 / 5.55	9.90 / 10.77	8.74	101	60C / 1981	1.40 / DP1976
40	1973 / 99.75	LIVERPOOL, CITY OF 9.875 31/ 8/1979 S	100	.08	8.89	10.12			
50 / 34.0	1973 / 99.50	MANCHESTER, CITY OF 8.25 15/ 5/1981	97 3/8	1.79 / 1.29	9.88 / 10.36	8.47			17.00 / 1979
25 / 22.8	1973 / 100.25	MEPC ESTATES & PROP 8.00 1/ 2/1991	84	11.51 / 7.30	10.44 / 11.32	9.52	103	90 / 1980	.75 / 1977
15 / 10.8	1971 / 100.00	MEPC ESTATES & PROP 8.75 1/12/1986	93 3/8	7.34 / 4.17	10.05 / 10.79	9.37	103	90 / 1979	1.20 / 1974
75 / 75.0	1976 / 99.00	MIDLAND INTL FIN SERVICE 8.75 1/12/1986	94 1/8	7.34 / 4.54	9.90 / 10.43	9.30	10.58 / 100 1/2	60C / 1983	10.00 / DP1980
75 / 75.0	1977 / 100.50	MIDLAND INTL FIN SERVICE 8.75 1/ 9/1992	91 1/2	13.09 / 9.49	9.93 / 10.19	9.56	10.91 / 101 1/2	60 / 1985	7.50 / DP1984
15 / 9.8	1970 / 98.00	MONTAGU TRUST 9.25 15/10/1985	101 1/8	6.21 / 3.44	8.99 / 8.85	9.15	101 3/4	30T / 1979	.75 / 1972
30 / 25.2	1972 / 100.50	NATIONAL & GRINDLAYS BNK 7.75 15/11/1987	88 7/8	8.29 / 5.58	9.75 / 10.48	8.72	101 1/2	60C / 1980	1.20 / DP1975
100 / 100.0	1977 / 99.00	NATIONAL COAL BOARD 8.00 1/ 9/1987	89 3/4	8.09 / 6.29	9.90 / 10.30	8.91	101 1/2	45 / 1983	5.00 / DP1979
50	1976 / 99.50	NATIONAL COAL BOARD 8.625 15/ 7/1981	97 5/8	1.96	10.01	8.83			
50 / 47.5	1973 / 99.00	NATIONAL COAL BOARD 8.625 15/10/1988	93 1/8	9.21 / 5.68	9.78 / 10.28	9.26	102	45C / 1980	2.50 / DP1978
50 / 50.0	1976 / 100.00	NATIONAL WESTMINSTER BNK 9.00 1/ 7/1986	96 5/8	6.92 / 3.98	9.69 / 10.07	9.31	101	60 / 1981	7.00 / DP1980
75	1978 / 100.00	NATIONAL WESTMINSTER BNK 9.00 15/ 6/1986	95 3/4	6.87	9.87	9.40	10.49 / 100 1/2	45 / 1983	
25 / 17.5	1971 / 98.00	PLESSEY 8.50 15/ 6/1986	94	6.87 / 3.87	9.73 / 10.45	9.04	102	60 / 1981	2.50 / DP1977
20 / 18.4	1973 / 99.00	RHM INTERNATIONAL 8.00 1/ 3/1988	87 1/2	8.58 / 5.86	10.24 / 10.99	9.14	101	60C / 1981	.40 / DP1976
40 / 40.0	1977 / 100.00	RHM OVERSEAS FIN 9.00 15/ 8/1992	90 1/2	13.04 / 9.74	10.36 / 10.62	9.94	11.45 / 101 1/2	45 / 1985	2.00 / DP1981
25 / 21.3	1971 / 100.00	RANK ORGANISATION 8.75 1/11/1986	94 1/4	7.25 / 3.96	9.88 / 10.59	9.28	102	60 / 1979	2.50 / DP1976
25 / 25.0	1979* / 99.50	REDLAND FIN WW 9.50 15/ 3/1991	102	11.62 / 9.52	9.20 / 9.16	9.31	9.18 / 101	30 / 1986	2.50 / DP1985
25 / 25.0	1979* / 99.50	REDLAND FIN XW 9.50 15/ 3/1991	91 1/2	11.62 / 9.52	10.80 / 10.97	10.38	11.48 / 101	30 / 1986	2.50 / DP1985
40 / 40.0	1977 / 100.00	REED INTERNATIONAL 9.00 15/ 5/1987	91 1/4	7.79 / 6.48	10.70 / 10.95	9.86	101 1/2	45 / 1983	4.50 / DP1983
45 / 30.0	1969 / 99.50	RIO TINTO-ZINC WW 6.75 1/ 5/1984	90	4.75 / 2.75	9.44 / 11.14	7.50	101 1/2	90 / 1979	6.00 / 1972
45 / 30.0	1969 / 99.50	RIO TINTO-ZINC XW 6.75 1/ 5/1984	90 7/8	4.75 / 2.75	9.19 / 10.73	7.43	101 1/2	90 / 1979	6.00 / 1972
50 / 50.0	1977 / 99.50	SELECTION TRUST 8.75 1/ 8/1989	88 3/4	10.00 / 8.45	10.63 / 10.86	9.86	101	45 / 1984	2.50 / DP1983
20 / 18.2	1973 / 99.50	SLOUGH ESTATES 8.00 1/ 2/1988	88 1/2	8.51 / 5.01	10.06 / 11.10	9.04	102	30C / 1981	1.55 / DP1978
12 / 9.8	1971 / 98.50	SLOUGH ESTATES 8.75 15/ 2/1986	93 3/8	6.55 / 4.16	10.16 / 10.80	9.37	100	90C / 1981	.75 / 1977
75	1976 / 99.00	SOUTH OF SCOTLAND ELECT 8.25 1/12/1981	96 1/2	2.34	9.96	8.55			
15 / 13.5	1972 / 100.00	TOWN & CITY NEDERLAND 8.00 15/ 1/1988	84 5/8	8.46 / 4.46	10.85 / 12.69	9.45	103	90 / 1981	1.50 / DP1979
18 / 9.0	1970 / 100.00	TRUST HOUSES GROUP WW 7.75 15/ 4/1985	134 1/2	5.71 / 2.71	1.41	5.76	102	90 / 1979	2.00 / 1973
18 / 9.0	1970 / 100.00	TRUST HOUSES GROUP XW 7.75 15/ 4/1985	93 5/8	5.71 / 2.71	9.22 / 10.54	8.28	102	90 / 1979	2.00 / 1973
30 / 30.0	1977 / 99.50	UNITED BISCUITS(UK) 9.00 15/ 5/1989	91 3/4	9.79 / 8.67	10.37 / 10.49	9.81	101 1/2	45 / 1984	1.20 / DP1982
25 / 22.5	1973 / 98.50	UNITED DOMINION TRUST 8.75 1/12/1988	90	9.34 / 6.25	10.46 / 11.03	9.72	102	45 / 1979	1.00 / DP1975
20 / 16.0	1972 / 99.00	WELLCOME FOUNDATION 8.25 1/ 6/1987	94	7.84 / 4.34	9.35 / 10.03	8.78	102	60 / 1980	2.00 / 1978
25 / 19.8	1972 / 100.50	WILLIAMS & GLYN BANK 8.25 1/ 6/1987	92 1/8	7.84 / 5.35	9.72 / 10.21	8.96	102	30 / 1980	1.75 / 1977
		US DOLLARS-UNITED STATES							
25 / 7.4	1967 / 99.00	AMAX HOLDINGS 6.25 1/ 6/1982	95 3/4	2.84 / 1.94	7.97 / 8.71	6.53	100 1/2	30 / 1979	2.20 / 1972
20 / 11.8	1971 / 98.00	AMAX INT CAP (SER A-) 8.75 1/ 4/1986	97 5/8	6.67 / 4.26	9.22 / 9.45	8.96	101	30 / 1979	1.36 / DP1974
12 / 7.1	1971 / 97.00	AMAX INT CAP 8.75 1/ 4/1986	97 5/8	6.67 / 4.25	9.22 / 9.45	8.96	101	30 / 1979	.82 / DP1974
40 / 21.4	1972 / 99.00	AMERADA HESS INT CAP XW 6.75 1/ 7/1987	86 3/4	7.92 / 4.56	9.17 / 10.57	7.78	101	30 / 1980	3.00 / DP1975
25 / 15.0	1969 / 98.50	AMERICAN BRANDS O/S 8.00 15/11/1981	96 1/2	2.29 / 1.69	9.74 / 10.36	8.29	100 1/8	30 / 1979	2.00 / DP1971
25 / 23.0	1974 / 97.00	AMERICAN MOTORS CORP 9.00 15/ 1/1989	88 3/8	9.46 / 6.33	11.02 / 11.68	10.18	102	90C / 1981	1.00 / DP1976
25 / 10.3	1965 / 99.50	AMOCO OIL HLDGS 5.75 1/10/1985 S	94 1/8	6.17 / 3.17	7.06 / 8.03	6.20	102	30 / 1979	1.47 / 1969
15 / 2.5	1968 / 98.00	ARMCO INT FIN 7.25 1/ 4/1980	98 1/4	.67	9.97	7.38	100	30 / 1979	2.30 / DP1971
25 / 20.0	1972 / 99.25	ASHLAND OIL FIN 8.00 15/ 6/1987	95 3/4	7.87 / 4.37	8.76 / 9.22	8.36	101	30 / 1980	2.50 / 1978
25	1978 / 100.00	AVCO O/S CAP 9.25 1/ 3/1985	94 1/4	5.58	10.64	9.81	11.37 / 100 1/2	30 / 1983	1.50 / PF1980
40	1979* / 100.00	AVCO O/S CAP 10.25 15/ 5/1987	97 1/8	7.79	10.80	10.55	101	30 / 1982	3.60 / PF1981
5 / 1.8	1968 / 100.00	AVERY PRODUCTS INT 7.75 1/12/1980	97 1/4	1.34 / .91	9.99 / 11.10	7.97	100	30 / 1979	.75 / DP1972
15 / 3.0	1966 / 97.50	AVON O/S CAP 6.25 1/ 2/1981 S	95 5/8	1.51 / 1.01	9.67 / 11.28	6.64	100	30 / 1979	1.50 / DP1972

US DOLLARS-UNITED STATES (CONTINUED)

[illegible]

US DOLLARS-UNITED STATES (CONTINUED)

[illegible]

US DOLLARS-MULTINATIONAL

[illegible]

US DOLLARS-SUPRANATIONAL

[illegible]

US DOLLARS-SUPRANATIONAL (CONTINUED)

[illegible]

هكذا من الأصل

Issued / Amt. Out	Year of Issue / Issue Price	Borrower / Coupon Maturity	Price	Life / Average Life	Yield to Maturity / Average Life	Current Yield	Yield to Next Call / Next Call Price	Call Not / Next Call Date	Next SF Amount / First SF Date
		US DOLLARS-SUPRANATIONAL (CONTINUED)							
50	1979* 99.63	EUROPEAN INVESTMENT BANK 9.50 20/ 3/1986	97 1/2	6.61	10.01	9.74	10.35 100 3/4	30C 1982	6.00 PF1980
250	1979* 99.50	EUROPEAN INVESTMENT BANK 9.625 15/ 2/1986 S	99 3/8	6.55	9.99	9.92	10.01 100	30 1985	
200	1979* 99.30	EUROPEAN INVESTMENT BANK 9.625 15/ 5/1991	94 7/8	11.35	10.39	10.14	10.85 101	30C 1986	6.00 PF1980
75	1979* 100.00	EUROPEAN INVESTMENT BANK 9.75 15/ 5/1989	97 7/8	9.79	10.09	9.96	10.35 100 3/4	30 1985	5.00 PF1980
30	1979* 99.75	EUROPEAN INVESTMENT BANK 9.75 20/ 3/1991	97 1/2	11.64	10.11	10.00	10.38 101	30C 1986	3.00 PF1980
150	1979* 99.75	EUROPEAN INVESTMENT BANK 9.875 1/ 6/1987 S	100 1/4	7.86	10.06	10.09	10.06 100	30 1986	
100 100.0	1979* 100.00	EUROPEAN INVESTMENT BANK 9.875 15/ 2/1999 S	99 1/2	19.55 14.60	10.18 10.19	10.17	10.34 102.40	30 1991	5.00 DF1987
150 150.0	1979* 99.00	EUROPEAN INVESTMENT BANK 10.00 1/ 6/1999 S	100 5/8	19.84 14.89	10.17 10.16	10.18	10.28 102.65	30 1991	7.50 DF1987
40	1977 100.00	NORDIC INVESTMENT BANK 7.75 1/ 6/1984	91 1/2	4.84	10.04	8.47	101	45 1981	
25	1978 100.00	NORDIC INVESTMENT BANK 8.75 15/ 5/1988	93 1/2	8.79	9.88	9.36	101	45 1983	.60 PF1978
30	1978 100.00	NORDIC INVESTMENT BK F 8.75 15/ 5/1988	94	8.79	9.79	9.31	10.65 101 1/2	45C 1984	
200	1977 100.00	WORLD BANK 7.00 1/ 5/1982 S	94 1/8	2.75	9.69	7.38			
250	1977 100.00	WORLD BANK 7.125 1/ 8/1982 S	94 1/8	3.00	9.64	7.71			
200	1977 100.00	WORLD BANK 7.65 1/ 5/1987 S	89 7/8	7.75	9.75	8.69			
250	1977 100.00	WORLD BANK 7.75 1/ 8/1987 S	90 3/8	8.00	9.72	8.76			
250	1976 99.80	WORLD BANK 7.80 1/12/1986 S	91 1/4	7.34	9.20	8.73			
300	1975 100.28	WORLD BANK 8.00 1/ 1/1980 S	99 1/8	.42	10.43	8.23			
250	1976 100.00	WORLD BANK 8.00 1/ 7/1981 S	97 1/8	1.92	9.91	8.41			
200	1975 100.00	WORLD BANK 8.15 1/ 1/1985 S	94 3/8	5.42	9.72	8.82			
200 200.0	1977 99.25	WORLD BANK 8.25 1/ 5/2002 S	88 7/8	22.75 16.99	9.67 9.82	9.50	10.42 102 1/2	30 1989	8.00 DF1990
300	1975 100.00	WORLD BANK 8.30 15/ 7/1980 S	98 3/8	.96	10.37	8.62			
250	1975 100.00	WORLD BANK 8.35 15/12/1980 S	98 1/8	1.38	10.07	8.69			
250 250.0	1977 100.00	WORLD BANK 8.35 1/ 8/2002 S	90	23.00 17.24	9.64 9.77	9.49	10.31 102 1/2	30 1990	10.00 DF1990
250	1976 100.00	WORLD BANK 8.375 1/ 7/1986 S	94 3/8	6.92	9.73	9.07			
250 250.0	1976 99.53	WORLD BANK 8.375 1/12/2001 S	90 1/4	22.34 16.56	9.63 9.79	9.50	10.37 102 1/2	30 1989	10.00 DF1989
200	1975 100.00	WORLD BANK 8.60 15/ 7/1985 S	95 7/8	5.96	9.75	9.17			
250	1975 100.00	WORLD BANK 8.85 15/12/1985 S	96 7/8	6.38	9.74	9.36			
250 250.0	1976 100.00	WORLD BANK 8.85 1/ 7/2001 S	94 1/8	21.92 16.16	9.72 9.80	9.62	10.26 102 3/4	30 1989	10.00 DF1989
250 250.0	1975 100.00	WORLD BANK 9.35 15/12/2000 S	98 1/4	21.38 15.62	9.77 9.80	9.76	10.09 102 3/4	30 1988	10.00 DF1988
		US DOLLARS-FLOATING RATE							
25 21.5	1975 100.00	ADELA INVESTMENT 8:1-3/8 12.188 8/ 1/1983 S	100 3/8	3.44 2.31		12.14	100	30C 1980	2.00 1979
40	1978 100.00	AFRICAN DEV BANK 7:1/4 11.50 27/ 7/1983 S	97 3/4	3.99		11.76	100	30C 1981	
25	1978 100.00	ALAHLI BK KUWAIT 5.5:1/4 11.25 21/ 8/1983 S	98 1/2	4.06		11.42	100	30C 1980	
30	1977 100.00	ALLIED IRISH BK 6.75:1/4 11.188 24/ 3/1984 S	99 7/8	4.65		11.20	100	30C 1981	
40	1978 100.00	AMERICAN EXP INT 11/4 11.063 20/ 4/1982 S	100 1/8	2.72		11.05	100	30C 1980	
30	1977 100.00	AMSTERDAM-ROTTERDAM 7.0:1/4 11.063 2/ 6/1984 S	99 3/8	4.84		11.13	100	360C 1981	
25	1978 100.00	ARAB INTL BANK 6-5:3/8 11.75 31/ 7/1983 S	97 3/8	4.00		12.07	101	30T 1981	

EURO UNITS OF ACCOUNT (CONTINUED)

ISSUED/ EST. O/S (MIL)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVER. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (Days)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIL)/ FIRST S/F DATE
30 / 28.7	1975 / 100.00	MANITOBA,PROVINCE OF 9.25 8/12/1985	104 3/8	6.36 / 4.56	8.63 / 8.45	8.99	8.66 / 102 1/2	30 / 1980	1.60 / PF1976
10 / 5.5	1971 / 98.00	NANCY,CITY OF 8.00 15/ 9/1986	148 1/2	7.13 / 3.79	8.20 / 8.35	8.09	101 3/4	90C / 1980	.65 / 1972
12 / 3.9	1963 / 99.00	NORGES KOMMUNALBANK 5.50 15/ 1/1983	145 5/8	3.46 / 2.03	6.48 / 7.13	5.67	7.71 / 100	180C / 1981	.39 / 1967
15 / 9.6	1971 / 98.75	NORGES KOMMUNALBANK 7.75 15/ 3/1986	147 3/8	6.62 / 3.75	8.10 / 8.32	7.89	101 1/2	120C / 1980	1.10 / 1974
12 / 10.0	1974 / 98.50	OSLO,CITY OF 8.875 1/ 4/1992	102 3/8	12.67 / 7.33	8.74 / 8.70	8.80	9.31 / 102 1/2	80 / 1982	.60 / 1975
15 / 11.3	1976 / 100.00	OSLO,CITY OF 10.00 5/11/1981	102 1/8	2.35 / 1.35	9.62 / 9.43	9.93			3.75 / 1978
25 / 22.8	1975 / 99.50	OSLO,CITY OF 9.25 15/10/1985	103 3/8	6.21 / 3.81	8.83 / 8.65	9.08	9.51 / 102 1/2	75 / 1980	.75 / 1976
20 / 20.0	1978* / 99.50	PANAMA,REPUBLIC OF 8.25 2/10/1993	92 7/8	14.17 / 11.17	9.34 / 9.50	9.01	102 1/4	60 / 1984	1.00 / 1984
20 / 17.8	1974 / 98.00	PECHINEY UGINE KUHLMANN 8.75 22/ 2/1989	100 3/8	9.56 / 6.49	8.91 / 8.96	8.84	103	60 / 1979	.70 / 1975
12 / 5.0	1968 / 96.50	REED PAPER GROUP 6.75 15/10/1983	147 1/2	4.21 / 2.21	7.23 / 7.61	6.87	101 1/2	90C / 1980	1.00 / 1969
22. / 21.0	1978 / 99.50	S.D.R. - FRANCE 7.00 5/ 7/1993	88 3/4	13.93 / 9.43	8.57 / 9.03	8.00	102 1/2	60 / 1984	2.20 / 1984
24 / 24.0	1979* / 99.50	SDR FRANCE 8.30 27/ 6/1994	98 1/8	14.91 / 10.41	8.90 / 9.00	8.79	9.35 / 102 1/8	30 / 1985	2.40 / 1985
22 / 22.0	1975 / 100.00	S.D.R. - FRANCE 9.25 15/12/1985	103 1/8	6.38 / 4.42	8.88 / 8.76	9.10	9.28 / 102	30 / 1980	2.00 / 1980
25 / 21.0	1975 / 99.50	S.D.R. - FRANCE 9.50 5/ 5/1987	103 1/2	7.76 / 4.98	9.11 / 8.97	9.31	9.40 / 102	60 / 1979	2.00 / 1978
40 / 40.0	1979* / 99.50	S.T.E.T. 8.25 10/ 4/1989	95 7/8	9.69 / 7.69	9.12 / 9.27	8.73	101 3/4	30 / 1982	8.00 / 1985
8 / 5.2	1969 / 98.00	SCOTLAND HYDRO/ELECTRIC 8.00 10/12/1984	147 3/8	5.36 / 3.68	8.42 / 8.39	8.15	101 1/4	90C / 1979	.40 / 1970
20 / 12.0	1970 / 98.00	SOUTH AFRICA,REPUBLIC OF 8.75 30/12/1982	147 1/8	3.42 / 2.03	9.43 / 9.98	8.93	101 1/4	120 / 1979	2.45 / 1971
40 / 35.2	1973 / 100.00	STANDARD OIL OF INDIANA 8.00 15/10/1988	100 1/8	9.21 / 6.99	8.20 / 8.25	8.11	102	30 / 1979	.80 / DP1974
20	1975 / 99.00	STATSFORETAG 9.25 29/12/1985	105	6.41	8.50	8.94			1.25 / PF1979
12 / 5.0	1969 / 98.00	WAINET MANS INT FIN 7.00 13/ 6/1984	146 7/8	4.87 / 2.87	7.34 / 7.86	7.15	102	90C / 1980	1.00 / 1970

FRENCH FRANCS

ISSUED/ EST. O/S (MIL)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	LIFE/ AVERAGE LIFE	YIELD TO MATURITY/YLD. TO AVER. LIFE	CURRENT YIELD	YIELD TO NEXT CALL/ NEXT CALL PRICE	CALL NOT. (Days)/ NEXT CALL DATE	NEXT S/F AMOUNT (MIL)/ FIRST S/F DATE
100 / 85.0	1975 / 99.25	AEROSPATIALE 10.00 6/ 5/1985	P 97 1/8	5.76 / 3.29	10.67 / 11.09	10.30			14.00 / 1979
100 / 80.0	1972 / 98.50	B.A.T. INT FIN 7.50 15/11/1987	79 1/2	8.29 / 6.07	11.44 / 12.51	9.43	102 1/4	30 / 1979	4.00 / DP1973
100 / 76.0	1972 / 100.00	BASF TRANSATLANTICA 7.50 1/ 5/1987	82 1/4	7.75 / 5.65	11.01 / 11.99	9.12	101 1/2	30 / 1979	4.00 / 1974
50 / 38.0	1972 / 100.00	BASS CHARRINGTON 7.50 1/ 8/1987	79	8.00 / 5.78	11.68 / 12.88	9.49	102	60 / 1979	2.00 / DP1973
100 / 88.0	1972 / 100.00	BRITISH LEYLAND MOTOR 7.50 30/ 9/1987	78	8.17 / 4.86	11.84 / 14.05	9.62	102	60 / 1979	6.00 / DP1977
150	1975 / 100.75	CHARBONNAGES DE FRANCE 10.00 5/12/1980	99 1/8	1.35	10.64	10.09			
80	1975 / 100.00	CHARBONNAGES DE FRANCE 10.25 15/ 4/1982	99 1/4	2.71	10.54	10.33	100 1/2	30 / 1980	4.60 / PF1976
100 / 88.0	1972 / 98.00	CHARTER CONSOLIDATED O/S 7.50 1/10/1987	76 7/8	8.17 / 6.40	12.10 / 13.03	9.76	101 1/2	90 / 1979	2.00 / 1973
100 / 80.0	1972 / 100.00	CIMENTS LAFARGE 7.50 1/ 7/1987	80 1/2	7.92 / 5.34	11.36 / 12.61	9.32	102	75 / 1979	5.00 / 1973
125	1975 / 100.00	CREDIT FONCIER DE FRANCE 10.25 27/ 5/1982	99 1/2	2.82	10.43	10.30	101	45 / 1979	12.50 / PF1975
80	1975 / 100.00	CREUSOT-LOIRE 10.25 17/10/1980	99 1/4	1.21	10.86	10.33			
100 / 82.0	1972 / 99.50	DENMARK,KINGDOM OF 7.50 1/ 9/1987	81 3/4	8.09 / 5.28	11.02 / 12.42	9.17	101 3/4	75 / 1979	6.00 / 1976
100 / 85.0	1973 / 100.00	DENMARK,KINGDOM OF 7.75 15/ 4/1988	82 1/4	8.71 / 6.62	11.01 / 11.74	9.42	102	75 / 1979	2.50 / 1974
150 / 150.0	1978* / 99.50	ELF AQUITAINE 9.75 14/12/1988	91 1/8	9.37 / 8.29	11.31 / 11.44	10.70	100 5/8	30C / 1982	18.00 / 1985
100 / 86.0	1973 / 98.50	ENSO-GUTZEIT 8.00 16/ 7/1988	83 1/4	8.96 / 6.12	11.03 / 12.03	9.61	101 1/2	60 / 1981	4.00 / DP1974
150	1979* / 100.00	EURATOM 9.75 31/ 5/1987	92	7.83	11.33	10.60	101	60 / 1983	
50 / 20.0	1973 / 100.00	EUROPEAN COAL & STEEL 7.00 1/ 7/1980	96 7/8	.92	10.73	7.23	10.73 / 100	90C / 1980	20.00 / 1978
150 / 120.0	1972 / 99.00	EUROPEAN COAL & STEEL 7.25 1/ 4/1987	82	7.67 / 4.17	10.80 / 13.12	8.84	101 1/4	60C / 1980	15.00 / 1978
150 / 145.0	1973 / 99.50	EUROPEAN COAL & STEEL 7.50 1/ 7/1991	76	11.92 / 9.35	11.25 / 11.87	9.87	101 1/4	90C / 1980	2.50 / 1978
125 / 110.0	1975 / 100.50	EUROPEAN COAL & STEEL 10.00 15/ 6/1982	99	2.87 / 2.74	10.40 / 10.43	10.10	100 1/2	60C / 1980	5.00 / 1977
175 / 157.5	1972 / 99.75	EUROPEAN INVESTMENT BANK 7.25 1/ 8/1987	80 3/8	8.00 / 4.84	11.07 / 12.98	9.02	101	60 / 1979	8.75 / DP1977
200 / 158.0	1973 / 99.25	EUROPEAN INVESTMENT BANK 7.25 15/ 5/1988	79 1/4	8.79 / 6.81	11.05 / 11.84	9.15	101 1/8	60 / 1979	7.00 / 1974
100 / 72.0	1971 / 100.00	EUROPEAN INVESTMENT BANK 7.75 10/12/1981	95 5/8	2.36 / 1.78	9.88 / 10.57	8.10	101	60 / 1979	4.00 / DP1972
200	1978* / 99.50	EUROPEAN INVESTMENT BANK 9.75 1/10/1988	91 3/4	9.17	11.22	10.63	101	30 / 1982	15.00 / PF1979
100 / 11.8	1968 / 97.00	FRANCAISE DES PETROLES 7.00 1/ 3/1980	98 1/4	.58	10.09	7.12	100	30 / 1979	21.78 / 1969
60 / 43.0	1971 / 99.50	L'AIR LIQUIDE 8.25 15/10/1981	96 5/8	2.21 / 1.59	10.00 / 10.69	8.54	100 1/2	90 / 1979	3.50 / 1972
75 / 56.3	1972 / 98.25	MONTREAL CATHOLIC SCHOOL 7.50 1/ 3/1987	82	7.58 / 5.72	11.12 / 12.01	9.15	101 1/4	30C / 1980	3.75 / DP1975
110	1975 / 100.00	NATIONALE DES AUTOROUTES 9.75 1/ 7/1987	98 5/8	7.92	10.27	9.89	103 3/4	45 / 1980	6.50 / PF1976
125 / 105.0	1972 / 100.50	NATIONALE DES TELECOMM 7.50 1/ 3/1984	90	4.58 / 2.96	10.32 / 11.67	8.33	101 1/2	60 / 1979	5.00 / DP1976
75 / 59.0	1972 / 98.00	NEW ZEALAND,GOVT OF 7.25 1/ 6/1987	81 1/2	7.84 / 5.34	10.87 / 12.10	8.90	101 1/2	20 / 1979	4.00 / 1973
200	1979* / 100.00	NORWAY,KINGDOM OF 9.25 20/ 2/1984	93 3/4	4.56	11.03	9.87			
100 / 80.0	1972 / 99.25	NOVA SCOTIA,PROVINCE OF 7.50 15/ 7/1987	82 3/8	7.96 / 5.58	10.92 / 12.03	9.10	101 1/2	90 / 1979	5.00 / 1973
100 / 82.5	1972 / 99.50	OSLO,CITY OF 7.25 1/ 3/1987	81	7.58 / 5.31	11.06 / 12.17	8.95	101 3/4	90C / 1980	2.50 / 1973
130	1975 / 100.00	PARIBAS 10.25 15/ 7/1982	99	2.96	10.65	10.35	101	45 / 1979	10.00 / PF1976

31st JULY, 1979

WestLB Euro-Deutschmarkbond Quotations and Yields

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D – mandatory drawing by lot at par S – sinking fund
8% ADELA 76/83	101.60	7.87	3.67	7.46	1. 4.83
7¼% ADELA 77/82P	99.75	7.27	2.87	7.34	16. 6.83
7% ADELA 77/82P	99.00	7.07	3.00	7.38	1. 8.82
6% AEG 66/81	98.90	6.07	0.99	7.13	1. 2.72—81D
7¾% African Dev. Bank 79/86	96.25	8.05	6.83	8.49	1. 6.86
6½% Airport Paris 69/84P (G)	98.00	6.63	2.61	7.38	1. 3.75—84D
9% AKZO 75/82P	102.50	8.78	2.50	7.82	1. 2.82
7¾% AKZO 76/83P	101.75	7.62	3.83	7.20	1. 6.83
6% AKZO 78/84P	94.00	6.38	4.67	7.56	1. 4.84
6½% AKZO 78/86P	97.25	6.68	6.58	7.03	1. 3.86
8¼% Alusuisse Int'l. 75/83	104.00	7.93	2.58	6.72	1. 8.81—83D
5½% American Expr. Int'l. 78/87	95.00	5.79	7.48	6.36	15. 1.87
6¾% AMEX Int'l. 77/84P	100.00	6.75	4.67	6.74	1. 4.84
10% A.P.E.L. 74/81 (G)	103.25	9.69	1.31	7.25	1.12.77—81D
7¾% ARBED Finance 76/83P	100.00	7.75	4.25	7.73	1.11.83
6¾% ARBED Finance 77/87	96.00	7.03	7.83	7.44	1. 6.83—87S
8¾% Ardal-Sunndal 76/81P	102.50	8.54	1.92	7.29	1. 7.81
6¾% Ardal-Sunndal 77/89P	94.50	7.14	8.22	7.90	1. 7.82—89D
7% Argentine 67/79	99.75	7.02	0.33	7.61	due 1.12.79
8% Argentine 69/79	100.00	8.00	0.33	8.10	due 1.12.79
7½% Argentine 77/84	99.20	7.56	5.17	7.68	1.10.84
6½% Argentine 78/85	92.70	7.01	5.58	8.17	1. 3.85
6½% Argentine 78/88	89.75	7.24	7.17	8.45	1.11.84—88D
7½% Argentine 78/89	95.25	7.87	9.75	8.22	1. 5.85—89S
7% Asian Dev. Bk. 69/84	100.50	6.97	3.02	6.93	1. 9.75—84S
8½% Asian Dev. Bk. 75/80P	100.00	8.50	1.29	8.44	16.11.80
8% Asian Dev. Bk. 76/82	101.90	7.85	2.58	7.14	1. 3.82
7¾% Asian Dev. Bk. 76/83P	100.00	7.75	3.87	7.73	1. 4.83
7% Asian Dev. Bk. 77/85	99.60	7.03	5.67	7.08	1. 4.85
5½% Asian Dev. Bk. 78/88	89.25	6.16	8.75	7.19	1. 5.88
9½% ASKO 75/80P	100.25	9.48	0.67	8.95	1. 4.80
7½% Aumar 73/88 (G)	101.76	7.37	4.27	7.14	1. 2.79—88D
9% Aumar 76/84 (G)	104.00	8.65	2.97	7.45	15. 8.77—84S
7¾% Aumar 77/84 (G)	100.70	7.70	4.82	7.57	1. 7.84
6½% Australia 67/82	103.75	6.27	1.72	4.19	1.11.73—82S
8¾% Rep. of Austria 75/82P	103.00	8.50	1.64	6.72	1. 4.79—82D
9% Rep. of Austria 75/83	107.25	8.39	3.50	6.59	1. 2.83
8¾% Rep. of Austria 75/83P	102.50	8.54	2.12	7.40	1. 4.78—83D
8½% Rep. of Austria 75/87	107.35	7.92	4.28	6.47	1. 5.78—87S
7¾% Rep. of Austria 76/86	105.65	7.34	5.21	6.43	2. 5.83—86S
6¾% Rep. of Austria 77/85	101.00	6.68	4.78	6.49	1. 4.83—85S
7% Rep. of Austria 77/87P	99.25	7.05	5.35	7.16	1. 1.83—87D
6¾% Rep. of Austria 77/87P	99.50	6.78	7.50	6.83	1. 2.83—87D
6% Rep. of Austria 77/87P	92.00	6.52	6.53	7.76	1. 9.84—87D
5¾% Rep. of Austria 78/88P	91.00	6.32	6.88	7.47	15. 7.84—88D
5¾% Rep. of Austria 78/90	91.25	6.30	11.25	6.89	1.11.85—90D
6¼% Rep. of Austria 78/89P	93.00	6.72	6.89	7.58	1. 2.84—89D
7% Autopistas Cataluna 78/85P	97.00	7.22	5.46	7.68	16. 1.85
7¼% Autopistas Espanola 69/84 (G)	100.25	7.23	2.85	7.28	1. 7.73—84S
8% Autopistas Espanola 71/86 (G)	100.80	7.94	4.01	7.91	1.10.77—86D
6¾% Autopistas Espanola 72/87 (G)	96.90	6.97	3.92	7.68	1.10.78—87D
7¼% Autopistas Espanola 78/85P (G)	98.50	7.36	5.59	7.57	1. 3.85
7¼% Banco N. Desarrollo 79/86 (G)	95.00	7.63	6.58	8.25	1. 3.86
8% Banco N. Obras 71/86 (G)	101.10	7.91	4.10	7.82	1.11.77—86S
9% Banco N. Obras 76/81 (G)	104.25	8.63	2.08	6.73	1. 9.81
7¼% Banco N. Obras 77/82P (G)	99.25	7.30	3.04	7.53	16. 8.82
7% Banco N. Obras 77/82P (G)	99.00	7.07	3.21	7.35	16.10.82
7% Banco N. Obras 77/84 (G)	99.75	7.02	5.17	7.05	1.10.84
5¾% Bk. America Overs. Fin. 78/90	93.75	6.13	11.25	6.55	1.11.90
6% Bank of Tokyo 79/86P	95.75	6.27	6.59	6.82	1. 2.86
7½% Banque Ext. Algeria 77/83	98.35	7.63	4.21	7.96	15.10.81—83D
7¼% Banque Ext. Algeria 78/85	95.70	7.58	5.22	8.28	1.11.83—85D
7¼% Banque Nat. Algerie 78/83	97.00	7.47	3.58	8.23	1. 3.83
6¾% Barclays Overs. Inv. 79/89	97.75	6.91	9.75	7.07	1. 5.89
8% Barlow Rand Inv. 78/82 IP	100.00	8.00	3.04	8.00	15. 8.82
8% Barlow Rand Inv. 78/82 IIP	100.00	8.00	3.12	7.99	15. 9.82
6% BASF 65/80	100.00	6.00	1.17	5.98	1.10.71—80D
7½% BEC Finance 76/83P	100.50	7.46	4.25	7.34	1.11.83
8% Beecham Fin. 76/83	103.60	7.72	4.25	6.98	1.11.83
10% Bergen 74/79	100.60	9.94	0.33	7.84	due 1.12.79
8¾% Bergen 75/85	104.25	8.39	3.68	7.37	1. 5.81—85D
7¼% Bergen 77/89	100.75	7.20	5.27	7.08	1. 2.81—89D
8¼% BFCE 75/83 (G)	104.00	7.93	2.90	6.88	1. 7.81—83S
8¼% BFCE 76/84 (G)	104.35	7.91	3.89	6.93	1. 7.82—84S
7% BFCE 77/87 (G)	100.50	6.97	5.49	6.87	1. 2.83—87S
5¾% BFCE 78/88 (G)	94.75	6.07	6.46	6.57	15. 1.86—88S
8½% BNDE 77/87	101.50	8.37	6.05	8.11	1. 4.83(82-87)
6¾% BNDE 78/86	93.35	7.23	6.58	8.08	1. 3.86
9% Borregaard 75/81P	102.50	8.78	1.75	7.39	1. 5.81
6½% Borregaard 77/85P	95.75	6.79	5.17	7.51	1.10.84
8½% Brascan Int'l. 73/88	102.35	8.30	5.11	7.91	1.10.79—88S
6¾% Brazil 72/87	95.45	7.07	8.17	7.51	1.10.76—87S
8¾% Brazil 76/86	102.75	8.52	4.17	7.94	1.10.82(80-86)
7¾% Brazil 77/84	100.50	7.71	4.76	7.61	1. 5.84
6¾% Brazil 78/85	95.00	7.11	5.50	7.88	1. 2.85
7¼% Brazil 79/87	97.50	7.44	7.42	7.89	1. 1.87
6¾% Brenner 68/83 (G)	101.00	6.68	2.48	6.40	1. 8.74—83S
5½% British Petrol 65/80	100.50	5.47	0.83	4.85	1. 6.80
5¾% Bruxelles-Lambert 77/84P	92.00	6.25	5.37	7.61	15.12.84
8½% Burmah Oil 70/85	102.25	8.31	3.10	7.81	1.11.76—85D
4¾% Canada 78/83	95.25	4.99	3.80	6.18	20. 5.83
5% Canada 78/84	97.25	5.14	4.77	5.67	10. 6.84
6% Carlsberg-Tuborg 77/87P	92.50	6.49	6.33	7.22	1.12.85—87D
8½% C.C.C.E. 75/85 (G)	106.00	8.02	3.80	6.56	1. 4.81—85D
8½% C.C.C.E. 76/86 (G)	105.50	8.06	5.37	7.22	1. 7.83—86D
7% C.C.C.E. 77/89 (G)	99.90	7.01	9.67	7.02	1. 4.81—89D
5½% C E C A 65/83	98.50	5.58	2.13	6.28	1. 4.71—83D
7½% C E C A 71/86	102.50	7.32	3.82	6.69	1. 5.77—86D
6½% C E C A 72/87	98.75	6.58	4.24	6.85	1. 7.78—87D
7% C E C A 72/88	99.85	7.01	4.19	7.02	2. 1.79—88D
6½% C E C A 73/88	99.35	6.54	4.45	6.66	1. 4.79—88D
7¾% C E C A 73/88	110.50	7.01	5.08	5.33	1.11.79—88D
10% C E C A 74/79 IIP	100.25	9.98	0.08	6.59	due 1. 9.79
10% C E C A 74/81P	104.00	9.62	2.08	7.83	1. 9.81
9¾% C E C A 74/81	106.00	9.20	2.33	6.85	1.12.81
8% C E C A 75/80P	100.00	8.00	1.33	7.94	1.12.80
8½% C E C A 75/82	101.50	8.37	2.58	7.80	1. 3.82
8% C E C A 75/82	105.50	7.58	3.37	6.13	15.12.82
8½% C E C A 75/85	103.15	8.24	3.06	7.29	1. 4.78—85D
8% C E C A 76/81P	100.25	7.98	2.37	7.85	15.12.81
7¾% C E C A 76/83	105.00	7.38	4.17	6.34	1.10.83
7¾% C E C A 76/86	104.50	7.42	5.10	6.67	1.10.82—86D
6% C E C A 78/88	93.25	6.43	9.25	7.01	1.11.88
5¼% C E C A 78/90	88.00	5.97	8.48	7.18	1. 4.85—90D
6% C E C A 78/90P	92.00	6.52	7.31	7.46	1. 8.83—90D
7% C E C A 79/91	98.75	7.09	9.08	7.18	15. 4.84—91D
7¾% C.E.D. South Africa 78/82P (G)	98.75	7.85	2.97	8.24	20. 7.82
6¼% CERGA 79/81P	98.00	6.63	1.67	7.79	1. 4.81
7% CESP 77/87 (G)	96.60	7.25	8.25	7.56	1.11.83(82-87)
6½% Charter Cons. Overs. 68/83	99.40	6.54	4.17	6.78	1.10.72—83S
6% Chase Manhattan Ov. 78/93	94.30	6.36	14.08	6.63	1. 9.84—93S
7% Chrysler 69/84	99.50	7.04	4.92	7.25	1. 7.75—84S
6¾% CIBA-GEIGY ex. w. 75/85P	101.50	6.65	6.17	6.44	1.10.85
6½% C.N. Autoroutes 69/84 (G)	100.45	6.47	2.52	6.26	1. 3.75—84D
9½% C.N. Autoroutes 75/82 (G)	104.00	9.13	2.46	7.61	16. 1.82
8½% C.N. Energie 69/84P (G)	99.50	6.53	2.44	6.71	1. 2.75—84D
8½% C.N. Telecom. 69/83 (G)	100.00	8.50	4.25	6.49	1.11.74—83S
8½% C.N. Telecom. 70/85 (G)	103.50	8.21	3.56	7.49	1.10.76—85S
7¼% C.N. Telecom. 76/83 (G)	101.50	7.14	3.71	6.76	16. 4.83
6¾% C.N. Telecom. 79/87 (G)	97.40	6.42	7.58	6.69	1. 3.87
7¾% Comalco 71/86	101.25	7.65	3.88	7.50	1. 6.77—86S
7% Com. Fed. Electr. 77/82P	98.50	7.11	3.08	7.56	1. 9.82
8% Com. Fed. Electr. 77/84	102.10	7.84	4.83	7.46	1. 6.84
7¼% Com. Fed. Electr. 77/85	100.00	7.25	4.71	7.24	1.11.82—85D
6¾% Com. Fed. Electr. 78/88	94.75	7.12	6.59	7.79	1. 4.84—88D
5% Commerzbank Int'l. 79/84P	95.50	5.24	4.42	6.19	1. 1.84
4½% Comp. F. Deutsche Bk. 78/83P	93.75	4.67	3.75	6.29	1. 5.83
5% Comp. F. Deutsche Bk. 78/84P	96.00	5.21	4.42	6.05	1. 1.84
8½% Comp. Franc. Pet. 76/85	104.75	8.11	3.38	6.86	1. 5.80—85S
6½% Comp. Franc. Pet. 77/84	100.75	6.45	4.92	6.31	1. 7.84
8½% Consorzio 76/91 (G)	103.20	8.24	5.48	7.92	1. 1.77—91D
5¾% Copenhagen 64/84	98.25	5.85	5.37	6.13	15.12.70—84D
7% Copenhagen 68/83	100.00	7.00	3.75	7.12	2. 5.72—83S
6¾% Copenhagen 69/84	99.90	6.76	4.83	6.89	1. 6.75—84S
7¾% Copenhagen 71/86	101.50	7.64	3.71	7.41	1. 4.77—86S
7½% Copenhagen 76/86	101.05	7.42	5.15	7.23	1.12.81—86S
6% Copenhagen 78/90	92.20	6.51	11.25	7.02	1.11.81—90S
6½% Council of Europe 73/81P	98.75	6.58	1.75	7.26	1. 5.81
7% Council of Europe 73/88	99.25	7.06	4.69	7.19	1. 7.79—88D
9½% Council of Europe 75/82P	105.60	9.05	2.50	7.21	1. 2.82
8½% Council of Europe 76/83	102.95	8.26	1.96	6.80	1. 2.79—83D
7¾% Council of Europe 76/83	101.50	7.64	2.21	6.97	1. 5.80—83D
7% Council of Europe 76/83	100.50	6.97	4.33	6.85	1.12.83
6¼% Council of Europe 77/87	94.50	6.61	6.18	7.38	1.11.83—87D
6¼% Council of Europe 78/86P	92.60	6.76	6.92	7.68	1. 7.86
6¼% Council of Europe 78/88	96.50	6.35	6.73	6.78	16. 5.84—88D
6¼% Council of Europe 78/88 II	93.50	6.68	9.25	7.23	1.11.84—88D
6¾% Council of Europe 78/88 III	93.00	6.72	9.25	7.31	1.11.84—88D
7¼% Council of Europe 79/89	99.40	7.29	6.51	7.38	1. 5.83—89D
6½% Courtaulds Int'l. 72/87	97.75	6.65	7.92	6.88	1. 7.80—87S
8% Credit National 77/87 (G)	97.25	8.17	8.17	8.44	1.10.83—87S
5¾% Credit National 78/83P (G)	96.50	5.96	4.08	6.76	1. 9.83
6½% Credit National 79/89 (G)	97.00	6.70	7.64	7.01	16. 4.85—89D
9% CVRD 76/84	102.75	8.76	3.47	8.03	1. 2.81(82-84)
8½% CVRD 76/86	101.75	8.35	4.78	7.14	1.12.82(83-86)
8% Daimler-Benz 70/85	102.00	7.84	3.11	7.39	1.11.76—85D
5½% Daishowa Paper 78/83P	92.50	5.95	4.00	7.75	1. 8.83
6% Danish Export 77/82P	98.00	6.12	1.71	7.26	1.11.78—82D
5¾% Danish Export 78/83P	97.00	5.93	2.29	7.20	1. 6.79—83D
8¼% Den Danske Bk. 76/86	105.25	7.84	5.59	7.07	1.11.82—86S
6½% Denmark 68/80P	99.00	6.57	1.17	7.54	1.10.72—80D
7% Denmark 69/84	102.50	6.83	2.94	6.15	1. 8.75—84S
6¾% Denmark 72/87	99.25	6.80	8.33	6.86	1.12.78—87S
9¼% Denmark 74/89	104.90	8.82	5.22	8.04	1. 3.80—89S
8½% Denmark 76/82	103.25	7.99	2.50	6.76	1. 2.82
8% Denmark 76/82	103.00	7.77	3.08	6.88	1. 9.82
6¾% Denmark 77/83	99.50	6.78	3.79	6.89	16. 5.83
7¼% Denmark 77/87	100.00	7.25	7.79	7.24	16. 6.87
5¼% Denmark 78/84	94.25	5.57	4.50	6.76	1. 2.84
6% Denmark 78/88	93.75	6.40	8.50	6.99	1. 2.88
5¾% Denmark 79/85	95.20	6.04	5.50	6.81	1. 2.85
6½% Denmark 79/89	94.75	6.86	9.50	7.28	1. 2.89
6¾% Den Norske Ind. 77/89 (G)	98.50	6.85	8.05	7.11	1. 6.80—89D
6% Den Norske Ind. 78/90 (G)	92.75	6.47	7.06	7.34	1. 5.83—90D
6½% District Paris 69/84 (G)	99.50	6.53	4.67	6.62	1. 4.75—84D
7¼% E E C 76/83	103.00	7.04	3.67	6.29	1. 4.83
7% Eletrobras 77/87 (G)	96.75	7.24	8.08	7.55	1. 9.83(83-87)
6¾% Eletrobras 78/86 (G)	99.30	7.23	6.67	8.08	1. 4.86
7% Eletrobras 79/87 (G)	94.75	7.39	7.50	7.94	1. 2.87
5¼% Elf Aquitaine 78/88	91.40	5.74	7.77	6.70	15. 5.88—88D
5¾% Elf Norge 77/80P	99.00	5.81	0.71	7.19	16. 4.80
5¾% Elkem 78/88P	88.50	6.50	6.76	8.01	1. 6.84—88D
6% ENEL 65/80 (G)	100.50	5.97	0.92	5.59	1. 7.80
6¾% Ericsson 72/87	100.25	6.73	4.11	6.66	1. 3.78—87S
8% ESAB 76/81P	101.00	8.66	1.50	7.98	1. 2.81
6½% ESCOM 65/80 (G)	99.25	6.55	1.17	7.16	1.10.71—80D
6½% ESCOM 68/83 (G)	96.50	6.74	2.09	8.38	1.10.74—83D
8½% ESCOM 70/85 (G)	102.00	8.33	3.06	7.71	1. 4.76—85D
8% ESCOM 71/86 (G)	99.25	8.06	3.42	8.42	15. 3.77—86D
6¼% ESCOM 72/87 (G)	91.60	6.82	4.37	8.63	1. 9.78—87D
7% ESCOM 73/88 (G)	95.00	7.37	4.48	8.37	1. 5.79—88D
9¼% ESCOM 75/80 (G)	101.15	9.14	1.00	8.01	1. 8.80
8% ESCOM 78/81 IP (G)	99.00	8.08	0.94	9.05	15. 1.80—81D
8% ESCOM 78/81 IIP (G)	99.00	8.08	0.99	9.01	1. 2.80—81D
8¼% ESCOM 78/81P (G)	99.50	8.29	1.50	8.58	1. 2.81
8% ESCOM 78/84P (G)	98.00	8.16	5.25	8.47	1.11.84
7¾% ESTEL 73/88	101.75	7.62	4.96	7.32	1. 8.79—88S
8½% ESTEL 75/85	104.25	8.15	4.17	7.27	1. 6.81—85S
8½% ESTEL 76/83P	104.50	8.13	3.58	7.01	1. 3.83
6½% ESTEL 77/84P	93.00	6.99	5.25	8.18	1.11.84
6¼% ESTEL 77/84P	92.25	6.78	4.31	8.46	1.12.82—84D
6¼% ESTEL 78/85P	91.50	6.83	6.17	9.04	1.10.85
5¾% Euratom 77/87	91.95	6.25	8.25	7.06	1.11.87
6¼% Euratom 79/91P	92.00	6.79	7.83	7.64	8. 2.84—91D
6% Eurofima 65/80	100.00	6.00	0.83	5.96	1.12.69—80D
6½% Eurofima 67/83	102.10	6.37	2.55	5.59	1. 9.71—83D
6¼% Eurofima 72/87	96.00	6.51	4.40	7.34	1. 9.76—87D
6½% Eurofima 73/88	98.50	6.60	4.38	6.90	1. 3.77—88D
8% Eurofima 73/88	105.00	7.62	4.95	6.77	1.10.77—88D
10% Eurofima 74/79P	100.09	10.00	0.33	9.67	due 1.12.79
9% Eurofima 75/85	106.00	8.49	3.43	6.95	1. 2.81—85D

Nutshell Survey

Strong demand from international investors pushed prices up significantly on heavy turnover.
All 9 new issues (1.140 mio) well oversubscribed.
Yield gap against domestic market now about ¾% to 1%.

AIBD

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MARKET MAKERS

WestLB Euro-Deutschmarkbond Quotations (Continued)

Issue	Middle Price	Current Yield	Life*	Yield to Maturity*	Repayment D – mandatory drawing by lot at par $ – sinking fund
8¼% Worldbank 75/83	105.50	7.82	3.92	6.60	1. 7.83
8% Worldbank 76/82P	102.25	7.82	3.00	7.14	1. 8.82
7¾% Worldbank 76/82P	102.25	7.58	3.17	6.92	1.10.82
7½% Worldbank 76/83	103.25	7.26	3.75	6.48	1. 5.83
7¾% Worldbank 76/83	103.25	7.61	4.17	6.82	1.10.83
6¾% Worldbank 76/83P	99.50	6.78	4.33	6.87	1.12.83
8% Worldbank 76/84	104.15	7.68	4.50	6.88	1. 2.84
5½% Worldbank 77/82P	96.50	5.70	3.12	6.77	15. 9.82
7% Worldbank 77/85P	100.00	7.00	5.58	6.99	1. 3.85
6½% Worldbank 77/85P	97.50	6.67	5.75	7.03	1. 5.85
6% Worldbank 77/85	96.25	6.23	6.12	6.76	15. 9.85
7% Worldbank 77/87	100.65	6.95	7.42	6.88	1. 1.87
6½% Worldbank 77/87	96.90	6.71	7.75	7.03	1. 5.87
5¾% Worldbank 78/84	97.25	5.91	5.00	6.41	1. 8.84
6% Worldbank 78/88	93.50	6.42	9.00	7.00	1. 8.88
6¼% Worldbank 78/88	94.10	6.64	9.33	7.13	1.12.88
5¾% Worldbank 78/90	90.40	6.36	8.96	7.24	1. 2.87—90D
6¾% Yokohama 68/83 (G)	100.00	6.75	4.08	6.86	1. 9.72—83S
7% Yokohama 69/84 (G)	100.25	6.98	3.10	7.02	30. 9.73—84S
8% Yokohama 71/86 (G)	102.75	7.79	4.05	7.19	1. 8.77—86S
8¾% Yoshida Kogyo 75/80P	100.50	8.71	0.92	8.13	1. 7.80
8% Yugosl. Inv. Bank 77/84P	99.50	8.04	5.37	8.10	15.12.79—84S

WestLB QUOTATIONS AND YIELDS

"Life" and "Maturity" appear in years and decimals of years and are—in this context—calculated as follows:
—to final maturity in case of a lump-sum repayment
—to final maturity in case of a sinking fund issue, whenever the quoted price is below 100
—to average life in case of a sinking fund issue, whenever the quoted price is above 100
—to average life in case the bond issue provides for mandatory drawings by lot at par only
P Private Placement (the smallest denomination may be larger than the usual DM 1,000 of public issue)

WestLB SD Certificates (Schuldschein-Index)

4 years maturity: 7.40% 5 years maturity: 7.50%

WestLB Euro-Deutschmarkbond Yield Index

July 31, 1979: 7.13% (June 29, 1979: 7.25%)

DILLON, READ OVERSEAS CORPORATION

Phone: 01-491 4774. Telex: 8811055

JAPANESE DOLLAR DEPOSITARY RECEIPTS

Names	Close at 2.8.1979	Names	Close at 2.8.1979
Honda ADR	USD 22½	1 Nippon Shinpan EDR	USD 2.66
Ito Yokado EDR	USD 58½	1 Nippon Shinpan CDR	USD 2.25
Komatsu Forklift CDR	USD 3.70	1 Renown EDR	USD 2.68
Kubota	USD 25½	1 Tokyo Sanyo	USD 2.29
1 Murata EDR	USD 3.34	1 Tokyu Dept EDR	USD 1.72

REGION 1 - BELGIUM

310 Dewaay, Sebille, Servais
Van Campenhout & Cie
115 Kredietbank N.V.

REGION 2 - FRANCE

230 Banque Arabe et Internationale d'Investissement (B.A.I.I.)
235 Banque de l'Union Européenne
225 Banque Louis-Dreyfus
205 Banque Nationale de Paris
210 Crédit Commercial de France Paris
215 Credit Lyonnais
218 E. F. Hutton Services S.A.R.L.
220 Interunion-Banque
270 Smith Barney Harris, Upham & Co. Inc.

REGION 3 - GERMANY/AUSTRIA

300 Commerzbank AG
305 Deutsche Bank AG
306 Dresdner Bank AG
307 Westdeutsche Landesbank Girozentrale
309 Creditanstalt Bankverein
310 Girozentrale und Bank der Österreichischen Sparkassen AG

REGION 4 - ITALY

405 Banca Commerciale Italiana Milan
407 Banco Ambrosiano S.p.A.
409 Banco di Roma
415 Credito Italiano
420 Istituto Bancario Italiano
425 Istituto Bancario San Paolo di Torino
430 Monte dei Paschi di Siena

REGION 5 - LUXEMBOURG

505 Banque Générale du Luxembourg S.A.
510 Banque Internationale à Luxembourg S.A.
540 Bayerische Landesbank International S.A.
515 Dewaay Luxembourg S.A.
520 Kredietbank S.A. Luxembourgeoise
530 Swiss Bank Corporation (Luxembourg)

REGION 6 - NETHERLANDS

600 H. Albert de Bary & Co. N.V.
601 Algemene Bank Nederland N.V.
602 Amsterdam-Rotterdam Bank N.V.
603 Bank Mees & Hope N.V.
604 Barclays Kol & Co. N.V.
611 Centrale Rabobank Utrecht
612 Bank Van der Hoop, Offers N.V.
605 Bank Morgan Labouchere N.V.
610 F. van Lanschot
606 Nederlandsche Middenstandsbank N.V.
607 Nederlandse Credietbank N.V.
608 Pierson, Heldring & Pierson
609 Slavenburg, Oyens & Van Eeghen N.V.

REGION 7 - SCANDINAVIA

705 Bank of Helsinki Ltd. (Helsingfors Aktiebank)
755 Bergen Bank
760 Christianna Bank og Kreditkasse
740 Den norske Creditbank
750 Den Danske Bank of 1871 Aktieselskab
710 R. Henriques jr. Bank-Aktieselskab
715 Kansallis-Osake-Pankki
720 Kjöbenhavns Handelsbank
745 Postipankki
730 Privatbanken Aktieselskab
735 Skandinaviska Enskilda Banken
725 Union Bank of Finland (Nordiska Föreningsbanken AB)

REGION 8 - SWITZERLAND

800 Bondpartners S.A.
805 Credit Suisse/Swiss Credit Bank
860 Swiss Bank Corporation
870 Union Bank of Switzerland

REGION 9 - UNITED KINGDOM

901 Akroyd & Smithers Limited
904 Amex Bank Ltd.
902 Bank of America International Ltd.
903 Bank Julius Baer International
905 Bankers Trust International Limited
910 Banque Française de Crédit International Ltd.
907 Bondtrade
909 Chase Manhattan Ltd.
908 Chemical Bank International Ltd.
911 Citicorp International Bank Limited
912 Continental Illinois Limited
914 Credit Suisse First Boston Ltd.
913 Daiwa Europe N.V.
915 Deltec Trading Company Limited
920 Dillon, Read Overseas Corporation
922 Dominion Securities Limited
925 European Banking Company Ltd.
930 First Chicago Limited
931 Goldman Sachs International Corp.
932 Hambros Bank Limited
933 IBJ International Limited
934 Hill Samuel & Co. Ltd.
935 Kidder Peabody Securities Limited
938 Loeb, Rhoades
939 Kuhn, Loeb Lehman Brothers Inc.
936 Manufacturers Hanover Limited
937 McLeod, Young, Weir International Limited
940 Merrill Lynch, Pierce, Fenner & Smith (Brokers & Dealers) Ltd.
941 Morgan Stanley International
945 Nesbit, Thomson Limited
942 The Nikko Securities Co. (Europe) Ltd.
943 Nomura Europe N.V.
946 Orion Bank Limited
948 Pinchin, Denny & Co.
947 Salomon Brothers International Ltd.
950 Samuel Montagu & Co. Ltd.
955 Scandinavian Bank Limited
960 Strauss, Turnbull & Co.
962 Sumitomo Finance International
964 Vickers, da Costa & Co. Ltd.
965 S. W. Warburg & Co. Ltd.
967 Wedd Durlacher Mordaunt and Co.
970 Westdeutsche Landesbank Girozentrale
975 White Weld Securities
977 M. S. Wein & Co. Inc.
980 Wood Gundy Ltd.
990 Yamaichi International (Europe) Ltd.

REGION 10 - UNITED STATES

10 Arnhold and S. Bleichroeder Inc.
20 Drexel Burnham Lambert Inc.
30 Kidder, Peabody & Co. Inc.
32 Lehman Bros. Kuhn, Loeb Inc.
33 Lazard Freres & Co.
35 Merrill Lynch, Pierce Fenner Smith Inc.
60 Salomon Brothers
80 Atlantic Capital Corporation

REGION 11 - MIDDLE EAST

005 The Arab Co. for Trading Securities S.A.K.

Bankers Trust International Limited
Market Makers in Floating Rate Note Issues

The interest rates per annum applicable to the following US$ Floating Rate Note issues were announced during July. These rates are quoted for information purposes only, and should be confirmed prior to the execution of a specific transaction. The rates quoted apply to the six-month periods shown.

		From	To	Rate
Nacional Financiera	1985/91	5 July 79	7 Jan 80	11 13/16%
Privredna Banka	1985	9 July 79	8 Jan 80	12%
BFG Finance Co	1989/94	10 July 79	10 Jan 80	11%
Indosuez	1989	10 July 79	10 Jan 80	11%
CCF (5½% min)	1983	10 July 79	10 Jan 80	11%
Texas Int'l Airlines	1986	10 July 79	11 Oct 79	11 5/16%
I C Industries	1991	11 July 79	11 Jan 80	11¼%
Adela Investment Co	1983	11 July 79	11 Jan 80	12 5/16%
CCF (7% min)	1983	11 July 79	11 Jan 80	11⅛%
Credit National	1988	11 July 79	11 Jan 80	11%
National Westminster	1984	11 July 79	11 Oct 79	11%
Sudameris	1987	11 July 79	11 Jan 80	11¼%
Nippon Credit Bank	1986	11 July 79	11 Jan 80	10⅞%
Royal Bank of Scotland	1986/94	11 July 79	11 Oct 79	11%
B.I.A.O.	1983	12 July 79	14 Jan 80	11%
Societe Generale	1991	12 July 79	12 Oct 79	11⅛%
Sogenal	1989/91	13 July 79	14 Jan 80	10 15/16%
Ljubljanska Banka	1985	19 July 79	21 Jan 80	11⅞%
Offshore Mining Co	1986	19 July 79	20 Jan 80	11 5/16%
B.N.P. (5¾% min)	1983	21 July 79	21 Jan 80	11 3/16%
Bco Nacion Argentina	1983	23 July 79	23 Jan 80	11¼%
Kansallis Osake Pankki	1983	23 July 79	23 Jan 80	11⅛%
Midland Int'l Finance	1993	23 July 79	23 Jan 80	11⅛%
Petroleos Mexicanos	1984	24 July 79	24 Jan 80	11 7/16%
Indosuez	1985	25 July 79	25 Jan 80	11½%
L.T.C.B.	1982	27 July 79	27 Jan 80	11⅜%
African Devel. Bank	1983	30 July 79	30 Jan 80	11⅛%
Chase Manhattan O'Seas	1993	30 July 79	30 Jan 80	11⅜%
G.Z.B.	1981	31 July 79	31 Jan 80	11½%
Insilco	1980	31 July 79	31 Jan 80	12¼%

Interest rates applicable to the issues listed below will be announced during August.

Alahi Bank	1983	Dow Bank Corp	1982
Arab Int'l Bank	1983	ESCOM	1982
B.F.C.E.	1984	I.B.J. (6% min)	1982
Banco do Brasil	1982	Jugobanka	1983
B.U.E.	1981	LTCB	1983
Bque Ext. d'Algerie	1984	Midland Bank	1983
B.N.P.	1984	Republic of Panama	1990
B.N.P.	1991	PICA	1985
C.C.C.E.	1988	S.N.C.F.	1997
Charterhouse Japhet	1985	Sonatrach	1991
Credit Lyonnais	1982	Standard Chartered	1990
Credit Lyonnais	1983	Williams & Glyn's	1984

Bankers Trust International Limited
56-60 New Broad Street, London EC2. Dealers' Tel: 588 6301-5. Telex: 883042.

INVESTMENT FUNDS

The following funds include Eurobond issues within their portfolios

Quotations & Yields as at 31st July, 1979

SOCIETE GENERALE De BANQUE
BANQUE GENERALE Du LUXEMBOURG

Fund	31/7/79 Price	First Issue Price	Yield %	Div. Date
Rentinvest	LuxFr 842	LuxFr 1000	8.43	20/11/78 (F67)
Capital Rentinvest	LuxFr 1400	LuxFr 1000	—	(Capitalisation)

	1/8/78 High	31/7/79 Low	1/8/76 High	31/7/79 Low
Rentinvest	LuxFr 918	LuxFr 814	LuxFr 918	LuxFr 814
Capital Rentinvest	LuxFr 1430	LuxFr 1352	LuxFr 1430	LuxFr 1126

EUROBONDS

The Association of International Bond Dealers Quotations and Yields appears monthly in the Financial Times.

It will be published in an eight-page format on the following dates in the remainder of 1979:

September	10
October	15
November	12
December	10

There is a limited amount of advertising space available each month; if your company is interested in taking advantage of this offer please contact:

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The Financial Advertisement Department
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Ext. 389 or 7008

CONVERTIBLES-U.S. (CONTINUED)

Issued/Est. O/S (mil)	Year of issue/Issue price	Borrower/Coupon Maturity	Bond price/Share price	Cur. bond yld/Cur. share yld	Yield to maturity/P.E.R.	Yield to next call/Call price	Call not (days)/Next call date	Premium/Discount %/First S/F date	Conv price/Date of conv. start
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] 9.2	[illegible] 100.00	[illegible] 7.25 1/11/1990	[illegible] 22 1/8	[illegible] 5.42	[illegible] 8.00	 103 1/2	[illegible] 1979	[illegible] DP1980	[illegible] 1/ 7/1971
30 30.0	1972 100.00	BORDEN O/S CAP 5.00 1/ 9/1992	82 7/8 25 3/4	6.03 7.07	7.06 6.00	 102	30 1979	1.38	SU 31 1/2 1/ 7/1973
30 30.0	1971 100.00	BORDEN O/S CAP. 6.75 15/ 7/1991	94 5/8 25 3/4	7.13 7.07	7.44 6.00	 102 1/2	30 1979	5.55	SU 28 3/4 15/ 4/1972
15 15.0	1965 100.00	BRISTOL-MYERS INT 4.50 31/12/1980 S	108 3/8 32 3/4	4.20 4.40	 10.00	* 100	30 1979	-4.65	SU 28 3/4 30/ 6/1966
35 29.1	1972 100.00	BROADWAY-HALE STORES 4.75 15/ 6/1987	71 1/2 17 3/4	6.64 6.20	10.18 7.00	 101 1/2	30 1979	67.17	SU 41 1/2 15/ 6/1973
10 9.5	1968 100.00	BROWN & SHARPE 5.50 1/ 3/1988	86 3/8 20	6.37 5.00	7.72 5.00	 102 1/2	30 1979	11.84 DP1979	SU 25.9 10/ 9/1968
25 25.0	1973 100.00	CARNATION 4.00 15/ 1/1988	70 26 5/8	5.71 5.65	9.27 6.00	 101	30T 1980	36.78	SU 53.026 1/ 8/1973
8 7.5	1969 100.00	CARRIER O/S 6.00 1/12/1989 S	91 1/2 39 1/8	6.66	7.31	 103	30 1979	-32.18 DP1979	SU 29 31/ 7/1970
12 10.3	1968 100.00	CHESEBROUGH-PONDS INT 4.75 31/12/1983	93 3/4 22 7/8	5.07 4.72	6.41 10.00	 101 1/4	30 1979	.41 DP1977	SU 26 1/2 1/11/1969
25 23.2	1969 100.00	CHESEBROUGH-PONDS INT 6.25 15/12/1984	95 22 7/8	6.58 4.72	7.40 10.00	 103	30 1979	11.09 DP1977	SU 26 3/4 15/ 9/1970
50 13.8	1968 100.00	CHEVRON OIL O/S 5.00 1/ 2/1988	163 1/4 51 3/4	3.06 5.41	 6.00	* 102	30 1979	-1.39 DP1979	SU 31.07 1/ 8/1968
60 54.0	1968 100.00	CHRYSLER O/S CAP 5.00 1/ 2/1988 S	49 1/8 8 1/4	7.36 4.85	10.68	 101	30 1979	DP1979	SU 62 15/ 8/1968
60 60.0	1968 100.00	CHRYSLER O/S CAP 4.75 15/ 5/1988 S	66 1/4 8 1/4	7.30 4.85	11.08	 100 3/4	30 1979	DP1979	SU 73 1/2 15/12/1968
12 12.0	1968 100.00	CIG INT CAP 5.75 1/12/1988 S	59 3 1/8	10.16	14.40	 102 3/4	30 1979	1979	SU 26 3/4 15/ 7/1969
30 30.0	1979* 100.00	COCA-COLA BOTTLING 6.75 15/ 8/1993	84 1/2 6 1/2	7.99 6.77	9.70 9.00	 104 1/2	35 1980	17.00	SU 9 30/ 4/1979
30 30.0	1969 100.00	COMMONWEALTH O/S 5.75 1/ 2/1984 S	2			 102 1/4	30 1979	1976	SU 23 7/8 1/11/1969
25 25.0	1968 100.00	CONTINENTAL TELEPHONE 5.50 1/ 3/1988	84 3/8 16 7/8	6.52 8.06	8.09 8.00	 102 1/2	30 1979	23.70 DP1979	SU 24.74 1/ 4/1969
15 14.0	1968 100.00	CONTROL DATA INT 5.00 1/ 4/1988	76 7/8 43 1/4	6.50 .92	8.96 7.00	 102	30 1979	129.40 DP1983	SU 129.06 15/10/1968
20 2.0	1968 100.00	CUMMINS INT FIN 5.00 1/ 8/1988 S	[illegible] 33 5/8	5.51 5.35	6.27 5.00	 100 3/4	30 1979	-1.06 DP1979	SU 36.16 1/ 5/1969
15 13.0	1971 100.00	CUMMINS INT FIN 6.25 1/10/1986 S	85 3/8 33 5/8	7.45 5.35	9.27 5.00	 103	30 1979	38.38	SU 54 1/2 30/ 6/1972
20 20.0	1972 100.00	DASON 5.25 1/12/1987	56 5 5/8	9.38 3.56	14.74	 102 1/2	30 1979		SU 72 3/4 1/ 7/1973
20 28.0	1972 100.00	DART INDUSTRIES 4.75 15/ 8/1987	78 53 1/8	6.09 4.52	8.69 10.00	 101 1/2	30 1979	45.37	SU 99.01 1/ 9/1973
15 15.0	1969 100.00	DENNY INTERNATIONAL 5.50 1/ 3/1989	76 18 1/2	7.24 4.76	9.40 6.00	 102	30 1979	68.31 DP1980	SU 40.97 1/10/1969
9 8.5	1968 100.00	DICTAPHONE INT 5.50 1/ 3/1988 S	95 5/8 29 1/8	5.83 7.23	6.26	 102 1/2	30 1979	-3.96 DP1979	SU 29 1/4 1/10/1968
20 17.5	1968 100.00	DILLINGHAM INT 5.50 15/ 5/1988 S	69 11 3/8	8.13 4.57	11.42 5.00	 101 1/2	30 1979	60.75 DP1978	SU 26 1/2 31/12/1968
70 66.0	1968 100.00	EASTMAN KODAK INT 4.50 15/ 5/1988 S	79 3/8 53 7/8	5.75 4.45	7.93 9.00	 101	30 1979	41.44	SU 96 15/ 5/1969
25 25.0	1972 100.00	EATON INT FIN 5.00 1/ 5/1987	81 7/8 42 5/8	6.11 6.20	8.25 5.00	 102.48	30 1979	8.18	SU 55 1/ 1/1973
15 [illegible]	1972 [illegible]	E.L. INTERNATIONAL [illegible]	76 3/8 [illegible]	6.22 [illegible]	6.85 [illegible]	[illegible]	30 [illegible]	57.06 [illegible]	SU 85 1/2 [illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CONVERTIBLES-U.S. (CONTINUED)

Issued/Est. O/S (mil)	Year of issue/Issue price	Borrower/Coupon Maturity	Bond price/Share price	Cur. bond yld/Cur. share yld	Yield to maturity/P.E.R.	Yield to next call/Call price	Call not (days)/Next call date	Premium/Discount %/First S/F date	Conv price/Date of conv. start
30 16.0	1968 100.00	HONEYWELL O/S FIN 5.00 15/ 2/1983 S	87 1/4 69 1/8	5.81 3.76	9.53 7.00	 101	30 1979	30.32	SU 103 1/4 15/ 8/1968
25 25.0	1968 100.00	I.C.C. INT 5.50 1/ 6/1988 S	58 5/8	9.60	14.19	 101 1/2	30 1979	1979	SU 53 1/2 1/ 6/1969
50 50.0	1977 100.00	INA OVERSEAS FIN. 6.00 1/ 8/1997	94 3/4 47 1/8	6.33 6.37	6.50 5.00	 104 1/2	35 1979	-2.49	SU 48 1/2 1/ 5/1978
20 20.0	1971 100.00	INTER-CONT HOTELS O/S 7.00 15/ 6/1986	80 1/4 7 3/4	8.72	11.27 3.00	 103.27	30 1979	42.17 DP1981	SU 13.73 20/ 3/1972
30 40.3	1968 100.00	INT STANDARD ELECTRIC 5.00 15/ 2/1988	84 5/8 27 7/8	5.91 7.89	7.50 6.00	 101 3/4	30 1979	66.21 DP1978	SU 54 3/4 15/ 8/1968
16 16.0	1968 100.00	INT STANDARD ELECTRIC 5.25 1/12/1988	83 1/2 27 7/8	6.29 7.89	7.89 6.00	 102	30 1979	99.95	SU 66 3/4 1/ 6/1969
25 25.0	1969 100.00	INT STANDARD ELECTRIC 6.25 1/11/1989	86 1/2 27 7/8	7.23 7.89	8.26 6.00	 103 1/4	30 1979	86.19 DP1979	SU 60 15/ 5/1970
32 2.2	1966 97.50	INT UTILITIES O/S 5.25 1/ 6/1986 S	85 32	6.27 7.92	8.32	 100 1/2	90 1979	13.33 DP1977	SU 16 1/ 8/1967
15 15.0	1966 100.00	ISE FINANCE HOLDINGS 4.50 1/ 3/1986 S	87 27 7/8	5.24 7.89	7.12 6.00	 100 1/2	30 1979	27.96 DP1977	SU 41 1/ 1/1967
50 50.0	1972 100.00	I.T.T. 4.75 1/10/1987	73 27 7/8	6.51 7.89	9.68 6.00	 102	30 1979	46.98	SU 56 1/8 15/ 4/1973
20 20.0	1969 100.00	I.T.T. SHERATON FIN 6.50 15/ 7/1989	81 1/4 27 7/8	8.00 7.89	9.49 6.00	 103	30 1979	60.31	SU 55 1/ 1/1970
25 24.0	1968 100.00	JONATHAN LOGAN O/S 4.75 1/ 6/1953 S	80 1/8 12 1/8	6.02 4.95	11.59 7.00	 100 1/2	30 1979		SU 34.79 15/12/1968
30 28.5	1968 100.00	KAISER ALUM & CHEM FIN 5.00 1/ 2/1988 S	85 7/8 18 1/4	5.91 6.58	7.39 4.00	 102	30 1979	15.65 1978	SU 21.62 1/ 8/1969
40 15.3	1969 100.00	LEASCO INT 5.00 15/ 1/1989	84 46 3/4	5.95 3.42	7.41 5.00	 101 1/2	30 1979	11.40 1980	SU 62 1/ 9/1969
15 14.0	1968 100.00	LEVIN-TOWNSEND INT FIN 5.00 1/ 8/1988 S	35	14.80	22.93	 101 3/4	30 1979	1979	SU 19.85 1/ 3/1969
30 30.0	1979* 100.00	LFC INTERNATIONAL FIN 8.00 15/ 6/1989	101 5/8 31 3/4	7.89	7.79	 106	30 1979	11.75 DP1984	SU 35 22/ 9/1979
60 60.0	1968 100.00	LTV INTERNATIONAL 5.00 1/ 7/1988	60 7/8 10 1/2	8.21	12.53 3.00	 102	30 1979	1979	SU 54.6 1/ 2/1969
30 27.0	1968 100.00	MARINE MIDLAND O/S 5.00 15/ 5/1988	71 3/4 18 3/4	6.97 4.27	9.97 7.00	 101	30 1979	53.07 DP1978	SU 40 15/12/1968
35 [illegible]	1973 [illegible]	MARRIOTT [illegible]	73 7/8 [illegible]	6.77 [illegible]	9.35 [illegible]	[illegible]	30 [illegible]	47.31 [illegible]	SU 29.91 [illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CONVERTIBLES-U.S. (CONTINUED)

Issued/Est. O/S (mil)	Year of issue/Issue price	Borrower/Coupon Maturity	Bond price/Share price	Cur. bond yld/Cur. share yld	Yield to maturity/P.E.R.	Yield to next call/Call price	Call not (days)/Next call date	Premium/Discount %/First S/F date	Conv price/Date of conv. start
7 6.0	1969 100.00	THERMO ELECTRON INT 7.00 1/ 7/1984	92 3/4 37 1/8	7.55	8.88	 103 1/2	30 1979	12.97 DP1977	SU 45.22 15/ 1/1970
10 10.0	1968 100.00	TRW INT 5.00 1/ 2/1988	83 5/8 38 1/8	5.98 5.25	7.69 6.00	 102	30 1979	15.16 1978	SU 52 1/2 1/ 2/1969
25 15.2	1969 100.00	TYCO INT FIN 5.00 1/ 3/1984 S	73 22 5/8	6.97 4.42	13.42 4.00	 101 1/2	30 1979	98.43	SU 61 1/2 1/11/1969
7 7.2	1978 75.50	TYCO INT FIN – 2ND ISSUE 5.00 1/ 3/1984 S	73 22 5/8	6.97 4.42	13.42 4.00	 101 1/2	30 1979	98.43	SU 61 1/2 1/ 5/1978
25 25.0	1978 100.00	TYCO INT FIN 8.50 15/ 6/1988	107 3/4 22 5/8	7.89 4.42	7.28 4.00	* 105	30 1979	.01	SU 21 15/ 9/1978
50 38.6	1967 100.00	UNION CARBIDE INT 4.75 1/ 7/1982 S	88 5/8 40 3/8	5.43 7.38	9.50 5.00	 100	30 1979	23.26	SU 56 1/2 1/ 5/1968
30 30.0	1969 100.00	WALTER KIDDE FIN 5.00 1/ 2/1989	80 34 3/8	6.25 4.65	8.00 5.00	 102 1/4	30 1979	46.94 DP1980	SU 63.14 1/ 9/1969
15 15.0	1968 100.00	WARD FOODS O/S 5.75 1/11/1988	65 11 3/8	8.85	12.27 10.00	 103 1/4	30 1979	173.66 DP1979	SU 47.89 1/ 6/1969
15 1.2	1966 100.00	WARNER-LAMBERT 4.25 1/ 3/1981 S	97 1/4 23 1/4	4.42 5.68	6.19 9.00	 100	30 1979	-3.50	SU 23 1/ 6/1967
30 30.0	1973 100.00	WARNER-LAMBERT 4.25 1/ 4/1988	71 23 1/4	5.99 5.68	9.25 9.00	 103	30 1979	87.81	SU 61 1/2 1/ 4/1976
40 40.0	1972 100.00	WARNER-LAMBERT 4.50 1/ 4/1987	74 3/4 23 1/4	6.02 5.68	9.11 9.00	 102	30 1979	54.32	SU 48 1/ 4/1973
20 7.5	1968 100.00	WARNER-LAMBERT 4.50 1/ 8/1988 S	90 1/2 23 1/4	5.03 5.68	5.96 9.00	 101	30 1979	12.88	SU 29 1/ 5/1969
75 75.0	1973 100.00	XEROX CORPORATION 5.00 1/12/1988	74 63 1/8	6.76 3.80	9.28 10.00	 102	30 1979	73.50	SU 148 1/ 1/1975

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CAMBRIDGE SCIENCE PARK

BY DAVID FISHLOCK, Science Editor

How Trinity encourages entrepreneurs

"SCIENCE IS great but business is greater," said Prince Charles at Trinity College, Cambridge, the other day. And if they can be combined it is surely a good thing, he told a gathering of fellows and guests, among them at least four Nobel laureates in science. One was his host, Sir Alan Hodgkin, master of Trinity, professor of biophysics at Cambridge, and an enthusiastic advocate of closer ties between industry and dons.

Trinity College has brought science and business together as a commercial investment, in an industrial estate on the outskirts of Cambridge of a kind that is common in the U.S. but novel to Britain. The college is landlord of the Cambridge Science Park, where 13 small companies—at least three of which have been spawned by Cambridge University—are clustered.

Their activities include computer-controlled laser systems, powerful new instruments for biologists, veterinary vaccines, a "supermarket" for rare metals no-one else can supply. The terms of their tenancy stipulate that these activities shall continue to need close relations between the "shop-floor" and scientists. Once a product becomes a matter of routine manufacture, the tenant is honour-bound to take it elsewhere.

Prince Charles had dropped in by helicopter to open the new £1½m laboratories of the latest and largest tenants, Cambridge Consultants, a contract research and engineering company founded in 1960 by a Trinity man. To one tenant's claim that his "widget" was way ahead of the Americans, the Prince replied that it was the third time he'd heard the claim at the Cambridge Science Park that morning.

Cambridge Consultants was founded (with £400) on the simple premise of putting "the brains of Cambridge University at the disposal of the problems of British industry." Trinity's industrial estate has precisely the same objective—though not all its tenants are British-owned companies, says Dr. John Bradfield sadly.

Dr. Bradfield, the man behind the science park, is Trinity's ebullient senior bursar, responsible for the college's endowment income of about £2m gross a year. Trinity is reputed to be Cambridge's richest college. But the income is needed to keep buildings which date from the thirteenth century in good repair—"£650,000 last year," he says, waving at a major task of re-roofing—to pay for the college's 20 research fellows and research students, and to help subsidise Cambridge's newer colleges through the university's private tax scheme.

"So we don't try to be clever," says Dr. Bradfield. His investments are spread roughly one-third each in farming, urban property and securities. But Trinity's investment manager has never severed his own connections with science. He came to Trinity as a scholarship student, graduated in botany, then worked at the Cavendish Laboratory with the electron microscope, one of the most potent research tools the botanists have ever found.

For the past 20 years, since he left the Cavendish Laboratory to become Trinity's business manager, he has found no time for botany beyond his hobby of planting trees. But the job has kindled an immense enthusiasm for helping British industry that almost transcends his love of Trinity.

His opportunity came in the shape of a report prepared for the university in 1969, when a committee under the chairmanship of Professor Sir Nevill Mott reported on university relationships with industry. It argued that Cambridge has a special role to play in fostering science-based industries and entrepreneurs. It offered two good reasons: that it probably has "the largest concentration of physical, technological, biological, medical and agricultural research laboratories in any university in this country": and that if one added Government-funded laboratories in and around Cambridge, it amounts to "the largest non-industrial concentration in the country."

But it was widely believed, the committee found, that new industries and industrial research were not welcome either to the university or to local authorities. The university accepted the Mott report. Dr. Bradfield, "impressed by the importance of the idea," picked up the challenge in a matter of months.

Trinity's fondness for science dates from the days when Isaac Newton, working alongside the Great Gate of the college, revolutionised thinking about the behaviour of light. On the edge of town, Trinity possessed 140 acres of derelict land, mostly a gift from the Throne in 1443. It had been requisitioned as a marshalling yard for tanks in the war and was overgrown with hawthorn scrub.

Two years after the Mott report Trinity had planning permission to develop the first 14 acres for the use of science-based industry. Its first tenant, Laser-Scan Laboratories — the brainchild of two Cavendish Laboratory professors and their student who had been developing computer-controlled lasers —arrived in 1973.

Today Laser-Scan is a business employing 56 with a turnover exceeding £1m this year. At the Cambridge Science Park it already has two buildings and is seeking a third. Its expertise lies in the way it can persuade a computer to steer a beam of light from a laser to read a photograph or a map for specific details of interest.

The only Rolls-Royce in the park is owned by Mrs. Doris Wheatley, an archaeologist teaching at the university until, she claims, she "met a man in a pub" who persuaded her to go into business. Her business, Cambridge Communication, specialises in translating complex documents into readily assimilated literature—company statements into literature for shareholders, for instance.

The latest tenant, Cambridge Consultants, has built its own laboratories rather than rent a building. One of its most promising lines of development is the technology of ink-jet printing. This is a very fast method of printing by using a stream of minuscule droplets of ink steered by a computer—much as it steers a stream of electrons to paint a picture on a TV-type screen. Sound waves shatter the fine jet of ink into a uniform stream of charged droplets, small enough to respond quickly to a fast-changing electric field.

The beauty of ink-jet printing lies both in its speed as a computer-driven printer and in the fact that it will print on virtually any surface, because nothing but ink droplets touches the surface. Cambridge Consultants offers to tailor the technology to a customer's requirements—anything from fine designs on fabrics to drawing complex profiles by computer on large metal plates destined for the hulls of ships or aircraft.

Hugh Routledge

Sir Alan Hodgkin, Master of Trinity College Cambridge, pictured outside Trinity College with the Great Gate in background.

Landscaping

Between them the 13 tenants employ about 150 full-time, 45 per cent of whom are scientists. Trinity has invested about £1.5m of its own money in buildings, roads, services and landscaping the tank-littered land. At a ratio of 6:1 of land to buildings, the rent cannot be cheap, says Bidwells of Cambridge, the college's agents. It yields about £150,000 a year on Trinity's investment and "earns its keep," confirms Dr. Bradfield.

Next month Bidwells hopes to clinch a deal which will raise employment at the park to 450. Napp, a privately-owned U.S. pharmaceutical company, plans to consolidate its scattered UK facilities in a single headquarters and research laboratory on the site. The company, whose primary claim to fame is an iodine disinfectant which doesn't sting, has plans to build its own elegant, glass-clad building, doubling the area of landscaped site.

Another idea Bidwells is exploring is the building of half a dozen "starter units" of only 1,300 sq ft. The idea is that entrepreneurs working at present in garages, garden sheds or wherever—as some of their present tenants began—might thus be tempted to take the next step towards full-scale industrial premises.

Dr. Bradfield suggests that these units could also make ideal "listening posts" for big companies wanting to keep an ear to the ground for new ideas in Cambridge. Already there is one "ear" in Cambridge, in the shape of Mr. Neil Cross, area manager for the Industrial and Commercial Finance Corporation (ICFC), which has already backed three of Trinity's tenants, including Laser-Scan and Cambridge Communications. This unit also offers a sympathetic ear to its clients who get into problems with money.

Does the Cambridge Science Park work—in the sense of being a community of similar interests working closely with university laboratories? "When I find them scrounging each other's equipment, then I'll know we're winning," Dr. Bradfield says. But he points proudly to the £25,000 given by Laser-Scan to finance a five-year research fellowship at the Cavendish—"exactly the sort of mutual benefit scheme one hoped for."

His confidence comes from the proliferation of science parks of this kind in North America, where the U.S. alone has about 80, averaging 650 acres in area. One, the Research Triangle in North Carolina, is as big as the whole of Cambridge and has five universities associated with it. "I know it's good. Our fellows are always off to it in the long vacation."

Letters to the Editor

Commodity centre

From Mr. D. Gordon.

Sir,—Is the City to be the last place in Britain to realise that Mrs. Thatcher's world is different? I have been reading with growing amazement the pre-Thatcher-era letters from serious people asking this Government to provide £3m towards the cost of housing international commodity bureaucrats. An object of such largesse, as spelt out by your commodity expert in Lombard (August 8), is to promote invisible exports.

"Invisibles" are a Good Thing, and the City deserves its self-administered pats on the back for generating exports of them. But the benefit of such invisible earnings are not themselves invisible. They get transformed into the profits of enterprises in the City, such as Barclays Bank (profits £465m in the past 12 months) which is spearheading the campaign for some of the taxpayers' money being cut off even from those arts that generate invisible tourist earnings. To those outside the City, it is absurd to see Barclays holding out the begging bowl in this way.

If the City thinks a commodity centre is good for the City, then it should take the long-term view and itself pay the whole cost of one.

David Gordon.
Flat 39,
Stafford Court,
Kensington High Street, W8.

Change to metric

From the Chairman C. Whiteley Estates

Sir,—I would take issue with Mr. Jenkins' view (July 27) that the time for this country to go metric is five years after the Americans. It should be remembered that as long ago as 1965 more than half our exports were taken by metric countries, and at that time the technologically-based industries put the case to the Government for the use of metric weights and measures in UK.

The position now is that even if we exclude the U.S. (which is planning its own metric conversion) over 90 per cent of our exports go to countries which have always been metric or which are in an advanced state of change.

British industry is now absorbing some frighteningly high added costs but very few firms have faced up to this and attempted to quantify the extra burden of such items as the dual stocking of tools, raw material, consumables, finished goods and sales literature plus the cost of dual dimensioning by design offices, the cost of conversion of incoming specifications by estimators and the cost of scrap and errors on the shop floor due to the use of both metric and Imperial drawings on machinery still predominantly Imperial. Evidence is becoming available which shows these added costs to be as high as 15 per cent which under other circumstances could be used to increase profits or wages or to reduce prices.

There is also evidence to show that despite 90 per cent metric exports, over 50 per cent of tools and instruments purchased last year for use on the shop-floor were Imperial; of the rest less than 5 per cent was dual or numerically controlled. This bodes ill for the future and leaves us in risk of an assault of imported metric tools when our time of change does come.

Jack Whiteley.
2a, St. John's Street,
Chichester

Planning and building

From Mr. S. Tietz

Sir,—The Government is apparently considering the introduction of fees payable to local authorities for considering planning and building regulation applications. Consent under building regulations already attracts a fee in the inner London area and the idea is neither revolutionary nor necessarily unattractive. There are, however, more fundamental issues which should also be explored.

Among those who are professionally engaged in construction, the preponderant opinion is that the regulations are too cumbersome, too slow, are administered with excessive attention to minutae and are therefore no longer cost effective. A total review is required and the need for this should not be confused by the introduction of charges. It would be all too easy for local authorities to persuade themselves that the payments received are a useful form of revenue and there would be correspondingly less pressure to review the basis of the system and means which improve its effectiveness.

Some time ago you quoted the high and rising cost to the American chemical industry, through complying with U.S. safety standards (June 20). Other studies have been carried out, particularly in the U.S., to evaluate the economic effects of building regulations. Something of that nature is long overdue here. Some of the regulations produced over the past few years have never been satisfactorily justified on true or social cost grounds and even some of their other reputed benefits are at best unproven.

A thorough analysis would show that a simpler and far more effective system could be *arrived at, using less than the* present staff and certainly requiring less than the present overheads created for users in endeavouring to comply. Bearing in mind that these all affect the end product, ie, the cost of building, this surely is where Government pressure is primarily needed even if fees are allowed in the meantime. Similar past recommendations have been taken up with rather less than enthusiasm by the Department of the Environment.

Fees might also help to achieve greater efficiency if they *only become payable where a* local authority has dealt with the application within the statutory period, and in case of rejection, has given fully documented reasons.

Stefan B. Tietz.
S. B. Tietz and Partners,
10-14, Macklin Street, WC2.

Pre-vetting TV commercials

From the Deputy Head of Advertising Control, Independent Broadcasting Authority

Sir,—Chris Dunkley is perfectly entitled to express his views about the standards of British TV commercials (Illusive Images, August 8), but is not entitled to claim that many "do not even begin to observe the spirit" of the IBA Code of Advertising Standards and Practice.

He should be aware that the Independent Broadcasting Authority not only draws up the code, but secures its enforcement by a sytem of pre-vetting *of commercials, first of scripts,* and then of finished films or tapes.

The authority's latest published report for the financial year 1977-78 showed that, of 7,289 original commercial scripts for TV, 15 per cent needed amendment to remove or qualify claims which were not supported by the facts about the quality, terms or the value of goods and services, and 7 per cent needed amendment to bring them into line with other requirements of the code. The staff of the IBA and the copy clearance section of the Independent TV Companies Association considered over 11,000 different TV commercial scripts during the year (which included re-submissions). None was accepted for broadcasting until we were satisfied that the spirit as well as the code was complied with.

Mr. Dunkley mentions particular cases without being aware of all the facts. For example, if a floor cleaner is described as "new," the authority will require, through *the ITCA*, an assurance that it is newly formulated. I will not guarantee that a floor cleaner, new or otherwise, will bring instant joy to the face of a housewife (or husband), but presumably advertisers should have some reasonable licence to suggest that some of the recipients will be demonstrably pleased.

There are many lagers with Continental-sounding names, but if these were brewed in the UK, and if the theme of the commercial is likely to suggest an imported product, the authority requires the advertiser to include the information in the commercial. Such information, usually in the form of *superimposed words such as "Brewed* in the UK under licence," must be in bold type and held sufficiently long for the information to be clearly seen by the viewers. (In the case of radio advertisements, *the words must be spoken.*)

As to toothpastes containing fluoride, this subject has not only been carefully considered by the advertising advisory committee, but by the British Dental Association. Before any claim for a toothpaste is accepted for broadcasting, it is seen not only by the lay staff, but must meet exacting standards required by a senior member of the dental profession, appointed by the authority to its medical advisory panel.

No advertisement for a *medical or toilet product which* includes claims as to the therapeutic or prophylactic effects of the product may be broadcast on television or radio without first being referred to a member *of the panel. This is required* by a provision of the Independent Broadcasting Authority Act, 1973. The tests referred to in the toothpaste commercials are the British clinical trials into fluoride toothpastes, in which the dental health committee of the British Dental Association was involved and during which information and advice were exchanged between the manufacturers and the association regarding the scope and methodology of the proposed trials. This was to enable official cognisance to be given to the results of the trials and enable them to be evaluated on a comparable basis. The "up to 30 per cent" claim stems from the findings accepted by *the BDA and the authority's* dental consultant that children who used toothpaste containing a recommended amount of fluoride showed an average of 30.3 per cent fewer decayed, missing or filled surfaces on teeth which grew through the gums during the three-year test period than did children using a non-fluoride paste. Allowing for the shortness of TV commercials, the claim does not turn out to be meaningless. We are concerned that advertisers do not overclaim and in these cases we always require reference to the need for regular brushing.

I would agree with Chris Dunkley that it is unethical deliberately to take off the voice of a well-known personality to mislead viewers and we would not intentionally allow it. I do not know to which commercial he is referring. Could it be the latest for Carlsberg *Special Brew? But that is the* voice of Orson Wells.

Nothing is perfect in an imperfect world and there will always be room for argument about individual commercials. *With something like 7,000 new* TV commercials and an equal number of radio commercials made every year, there will be those which are loved and those which are disliked. The auth*ority is concerned to achieve* high standards of broadcast advertising and its advertising control machinery is designed to achieve that result.

H. G. Theobalds,
Independent Broadcasting Authority.
70 Brompton Road, SW3.

What it can mean

From Mr. P. Flatter

Sir,—It was heartening to read Chris Dunkley's exposure (August 8) of TV advertising integrity. If any word ought to be awarded first prize for consumer deception, it is surely "can" as in Mr. Dunkley's "regular brushing with Tootho *can* mean up to 30 per cent fewer fillings." When used in conjunction with "help," as in "*can help reduce,*" *the risk of* claiming that the product will actually do what the customer buys it for, is reduced still further.

P. Flatter.
Woodland Way, Wiggonholt,
Nr. Pulborough, West Sussex.

Today's Events

GENERAL

U.K.: Engineering industry unions call one-day strike over minimum pay rate.

Banking, Insurance and Finance Union members begin industrial action over pay at F. C. Finance.

World Bank publishes its World Development Report.

Meriden Motor Cycle Workers' Co-operative creditors meet at Meriden.

Argentine Navy's three-masted sail training ship "Libertad" arrives in London.

Overseas: President Carter sees food and meat processing industry representatives at White House about increases in sales margins.

Sir Kenneth Cork, Lord Mayor of London, leaves Korea for informal visit to Japan.

National Hardware Exhibition opens, Chicago (until August 16).

International Environmental and Engineering Exhibition opens, Singapore (until August 17).

OFFICIAL STATISTICS

Index of industrial production (June — provisional). Retail sales (July—provisional). Turnover of the catering trades (second quarter).

COMPANY RESULTS

Final dividends: AGB Research. Caledonian Trust Co. Press Tools. Bernard Sunley Investment Trust. Vibroplant Holdings. Interim dividends: Benford Concrete Machinery. Broadstone Investment Trust. Manchester Ship Canal Co. Olives Paper Mill Co. Rea Brothers. Squirrel Horn. Interim figures: Scottish Western Investment Trust.

COMPANY MEETINGS

See Financial Diary on page 6.

LUNCHTIME MUSIC, London

Piano recital by Geoffrey Saba, St. Lawrence Jewry next Guildhall, 1.00 pm.

Organ recital by Ralph Cupper, St. Michaels Cornhill, 1.00 pm.

Astra dividends to be linked with CCA basis

THE DIVIDEND policy of Astra *Industrial Group is to pursue* prudently increasing payments subject to rising profits based on the current cost accounting statement, Mr. D. G. Dukes, chairman, says in his annual review.

Every effort will be made to increase the performance reflected in the CCA statement, he adds.

Taxable profits of a CCA basis are shown virtually unchanged *at £859,000 in the year to April* 30, 1979, compared with £864,000 last time, after adjustments for depreciation, costs of sales and gearing.

As reported on July 20, historic cost profits before tax were marginally ahead at £1.04m (£1.02m). The net total dividend is stepped up 15 per cent to 1.305p (1.128343p), with a final of 0.9p. A two-for-three scrip issue is also proposed.

The *chairman explains* that profit growth would have been greater but for the amount absorbed by complying with SSAP 12 and by a decision to increase borrowing without receiving the benefit of investment income on the use of the borrowed money during the period under review.

This decision arose from attention paid to the CCA statement, he adds. A suitably favourable adjustment is made for monetary liabilities and it is considered that, so long as some inflation rate continues, *borrowed monies invested in* additional assets should eventually benefit shareholders' funds. At April 30, 1979, these were shown at 31.9p per share (28p).

Former investment in fixed assets for the operating companies has provided them with modern equipment and buildings, the chairman continues. None of the companies therefore require large sums now to maintain or increase profits.

What investment they do require will be provided, but it has been decided to build up an investment portfolio of property and marketable securities using retained profits and borrowed funds aimed at obtaining income or capital appreciation.

On divisional prospects, the engineering side looks forward *to a more progressive year* helped by improvements and the addition of £150,000 capital for plant and production tools. The development of fresh applications and interests in other compatible processes will continue at the metal finishing division, and the re-siting of the Wolverhampton factory will provide additional impetus.

At balance date, group fixed assets were up from £2.73m to *£3.25m*. Current assets stood at £3.86m (£3.25m), while current liabilities were £2.96m (£2.13m). Net liquid funds increased by £328,441, compared with a £33,309 decrease.

Meeting, Birmingham, on September 5 at noon.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: Benford Concrete Machinery, Broadstone Investment Trust, Manchester Ship Canal, Olives Paper Mill, Rea Brothers, Squirrel Horn.

Finals: AGB Research, Caledonian Trust, Impala Platinum, Press Tools, Bernard Sunley Investment Trust, Vibroplant.

FUTURE DATES

Interims—

Braime (T. F. and J. H.)	Aug. 21
Crouch (Derek)	Sept. 13
Farly (Charles) and Marriott	Sept. 14
Electric and Indust. Secs.	Sept. 10
Scottish Agricultural Industs.	Aug. 30
Finals—	
Jentique	Sept. 17
Meat Trade Suppliers	Aug. 21

SHARE STAKES

Crest Nicholson—P. C. Nicholson, director, is no longer interested as a trustee in 163,000 shares.

Stead and Simpson — G. S. Gee, director, on August 7 sold 20,000 "A" ordinary shares at 50½p. Mrs. V. K. Gee sold 10,000 at 50½p.

Rowton Hotels—Globe Investment Trust is interested in 200,000 shares (5.29 per cent).

Hanson Trust — Sir James Hanson notifies that the executors of Robert Hanson have acquired 619,474 shares. Sir James is now interested in 1,710,806 shares. Directors have acquired shares as follows: M. G. Taylor, 11,375 shares; D. N. Rosling, 22,500; K. H. Osborne, 2,262; B. A. Helling, 33,919; B. Hagdrup, 12,000; R. M. Dean, *65,371; A. G. L. Alexander 35,366.*

Jitra Rubber Plantations—Kuala Lumpur-Kepong Investments now the beneficial owner *of 133,500 stock units (6.01 per* cent).

James Austin Steel (Holdings)—Turmanns Steel Group has acquired 59,000 shares bringing total to 621,000 (20.7 per cent).

Sanderson Murray and Elder (Holdings)—R. Fawcett, director, as trustee of settlements, has disposed of *398,350* shares in retirement as a trustee of settlements. Holding now nil.

W. Jackson upsurge to £2.07m

A SECOND half rise from £811,832 to £1.12m has lifted the taxable surplus of **William Jackson and Son**, baker, confectioner, meat product manufacturer, from £1.47m to a record £2.07m for the year ended April 28, 1979.

Turnover for the full period expanded from £93.34m to £102.45m.

After the year's tax charge of £575,762, compared with £834,071 last time, the net profit emerged at £1.49m, against £635,337, *giving earnings of 66p (27p) per* 50p share.

The dividend payout is increased from 5.407p to 6.5p per share.

A revaluation of the group's fixed assets has shown a surplus of £4.16m.

Leonard Burt

Mr. Donald K. Redford, chairman of Manchester Ship Canal Company, who is due today to report the group's interim figures.

L & G pension funds worth over £1.2bn

FUNDS WORTH £1.21bn are in the hands of **Legal and General Assurance (Pensions Management)**, a rise of 20 per cent since the end of 1978. This is revealed in the interim investment report for the six months to end June, 1979. During the period over 40 new accounts have been opened to bring the total number of clients using the funds to 470.

The company is a subsidiary of **the Legal and General Assurance Society**, the largest pension company in the UK. It offers investment management services to *pension funds on a pooled basis* through the various funds under *management*. These operate on a unitised basis and the pension *scheme makes its investment* by buying units in the appropriate funds.

The most popular fund remains the Mixed Fund—a combination of fixed interest and equity investment. This grew in value by nearly 25 per cent over the period from £520m to £645m, with the unit price advancing by 12.8 per cent. At the end of June, the fund was split 41 per cent fixed interest, 51 per cent UK equities, and 7 per cent overseas equities. There were net purchases of some £40m in the fixed interest market and £18.5m in UK equities. Activity overseas was at *a low* level.

The Property Fund increased in size by 16 per cent over the period from £416m to £485m, of which £444m represented the value of the portfolio. The fund is the largest single property fund available for pension scheme investment and its unit price jumped by 7.8 per cent over the period. The fund invested £27.6m in the acquisition of various property interests and a *further* £13.2m was added as a result of the transfer of assets from former insured schemes. At the end June the property portfolio was split 50 per cent offices, 32 per cent shops, 12 per cent industrial, and 2 per cent agricultural.

The Ordinary Share Fund advanced from £32.6m to £34.2m over the period with its unit price increasing by 14.3 per cent. The Fixed Interest Fund improved from £40.2m to £43.5m with a 12.2 per cent jump in unit price.

Mr. Keith Hall, head of L and G Pensions Management, says in the report that the experience and expertise of the Managed Fund is being increasingly welcomed in these uncertain times.

Lynton £8m property surplus

A professional valuation of properties in the UK, Belgium and Holland has shown a surplus over book value of £8.1m, say the directors of **Lynton Holdings** in their annual report.

The valuation at March 25, 1979 was £42.95m, against a book value of £34.86m. The managing director has adjusted the existing book values of the group's other properties on the same date which resulted in a £55,705 net provision.

Mr. Maurice Lambert, chairman and managing director, says that during the year they bought the leasehold interest of Bedford House, John Street, London, increasing the company's income on the building from £16,000 to £150,000 a year.

IN BRIEF

DRAYTON PREMIER INVESTMENT TRUST—Pre-tax revenue for first-half 1979 £2.01m (£1.74m). Tax £802,000 (£695,300). Available £1.17m (£1m). Interim 2p (same), already known, absorbs £967,700 (£963,400). Net assets £85.39m (£85.68m) at December 31, 1978), or 239p (256½p) per share. Facility to borrow foreign currency equivalent of U.S.$10m for five years arranged with Midland Bank.

FIRST GUERNSEY SECURITIES TRUST—Total net assets at June 30, 1979, were £831,247 (£814,110 at end-1978) equal to 2.33p (2.04p) per share. Dividends received less bank interest to June 30 £12,650 (1978 £23,273).

CLAVERHOUSE INVESTMENT TRUST—Gross income half year to June 30, 1979, £364,458 (£323,406). Net asset value per 50p share 126.89p (106.58p).

DURA MILL—Dividend 3p (same) year to March 31, 1979. Turnover £692,522 (£638,252). Profit £2,705 (£4,262) after tax of £459 (£4,800). Stated earnings 6.76p (10.65p).

LONDON AND LIVERPOOL TRUST—Final dividend 0.48p making 0.624p year ended March 31, 1979 (0.594p). Net revenue £23,950 (£19,324), after tax £14,268 (£12,574) and exceptional expenditure £3,240 (nil). Earnings 0.85p (0.77p); asset value 21.38p (18.35p) per share. Accounts of banking subsidiary Stewart Salmon have been excluded from consolidation in accordance with Companies Act 1948.

Burt Boulton hopeful of improved year

LOOKING AT prospects for the current year of **Burt Boulton Holdings** the chairman, Mr. B. *Kilpatrick, says the timber* company should produce a satisfactory first half while the surfacing companies are working well.

On the timber side, the directors are taking such action as they can in anticipation of a difficult winter and intend to keep stocks and other commitments for that period to the minimum necessary to maintain trading.

At Belvedere, a substantial reduction in the volume and costs of the softwood business has been achieved and a management reorganisation carried out. Though more has still to be done, the chairman hopes that the measures taken will bring the *softwood business back to* profitability.

A major reorganisation of the yard at Eling (Southampton) to *bring methods and costs in line* with the current level of business is in progress. At Hartlepool, the trading has *already been concentrated on one* of the two sites and further investigations are taking place.

Mr. Kilpatrick says, given *reasonable weather conditions*, the profitable period of the three surfacing companies should be extended this year in view of the large amount of road maintenance now necessary in both Britain and Italy, partially as a result of the cold winter.

In the year ended March 31, 1979 the group profit suffered a severe jolt, falling from £780,873 to £13,752. This was the effect of the bad winter, strikes and a substantial loss in the timber company; overall, the road surfacing companies maintained their profits. The dividend is cut from 10p to 7p per share, as reported on July 27.

In the year there was an increase in net indebtedness to bankers of £1.29m (decrease £0.77m).

Meeting, Brettenham House, *Lancaster Place, WC, on* September 27 at noon.

Ling hints at Belhaven peace

By Arnold Kransdorff

THERE ARE unlikely to be any further boardroom changes at **Belhaven Brewery Group**—at least until the annual meeting sometime next month, Mr. Roy Ling, who was deposed as chairman just over two weeks ago, said yesterday.

Mr. Ling, who held the chair at Belhaven for only two weeks, was commenting on the outcome of last Friday's board meeting, the first he had attended since being ousted.

"I have no reason to believe that there will be any immediate changes in the present construction of the board," he said.

Mr. Ling, who is still a director of Belhaven, was displaced from his post as chairman and managing director while he was negotiating a property deal for Belhaven in Bermuda. The Board said he was removed after a disagreement on changing the *terms under which Mr. Ling's* plastics company, Ashpoint, was sold to Belhaven earlier this year.

Mr. Ling, who attended last week's meeting with his lawyer, said Belhaven's directors had given him a "friendly welcome" and that he had "got on with them as well as in the past."

At the meeting they agreed to "put up a united front in order to bring back some confidence to the company." Mr. Ling added: "We didn't solve all the problems by any means. There are still a lot of difficulties to be sorted out."

The recent Board changes also coincide with the announcement that Belhaven incurred losses of £58,000 (£191,000) for the year to end March, 1979, compared with an alleged forecast of £350,000 profits by former chairman Mr. Gordon Currie, whom Mr. Ling replaced.

Mr. Currie has denied that he made such a forecast.

Export drive by Downs Surgical

Mr. N. G. Shove, the chairman of **Downs Surgical** tells shareholders he is confident in the continued growth of the company.

He says in his annual statement that continuing efforts are *being made to expand* the group's overseas sales operations, and he looks forward to a further increase in export *turnover*.

As reported on July 13 with profits of £518,000 in the final three months this maker and supplier of surgical instruments and appliances finished the 15 month period to March 31, 1979 at £1.78m against £877,000 for the previous year. The dividend is 3.225p (2.325p) with a 1.625p final.

The company is to introduce a profit-sharing scheme to be approved at an EGM, the chairman says. Results for the 15 months are stated after providing £18,000 for the proposed share allocation.

At balance date fixed assets are shown as £2.24m (£1.91m), and net current assets at £4.41m (£4.2m).

LOCAL AUTHORITY BOND TABLE

Authority (*telephone number in parentheses*)	Annual Interest gross interest	pay-able	Minimum sum	Life of bond
	%		£	Year
Knowsley (051 548 6555)	12½	½-year	1,000	5-7
Redbridge (01-478 3020)	12	½-year	200	4-5
Redbridge (01-478 3020)	12½	½-year	200	6-7

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INTNL. COMPANIES and FINANCE

Court to rule on bid for Reliance

BY DAVID LASCELLES IN NEW YORK

THE FEDERAL Trade Commission, which is trying to block the $1.17bn take-over of Reliance Electric by Exxon, the world's largest oil company, will go before a Washington judge today to seek a preliminary injunction to stop the deal.

At the moment, Exxon, which has already been tendered 95 per cent of Reliance, has been prevented from concluding the take-over by a restraining order which expires on August 17. Exxon wants to acquire Reliance as part of its plans to develop, manufacture and market devices which save energy by controlling the speed of electric motors.

The FTC announced over the weekend that it will charge that the proposed take-over violates anti-trust laws. According to its administrative complaint, the deal would remove Exxon as an actual or potential competitor in the electronic variable speed drives (EVSD) industry.

The voluminous document charges that Exxon originally planned to enter the EVSD market itself. It says that Exxon got together several component makers, installed computer equipment and even prepared an advertising brochure for its product.

However, the FTC contends Exxon changed its strategy last spring and decided to enter the market by acquiring an electric manufacturing company instead.

The case could revolve around Exxon's precise intentions, since the FTC would clearly have a stronger case if Exxon had indeed originally planned to move into the EVSD market as an independent entity.

The FTC says it wants the preliminary injunction to bar the merger until its own administrative, or internal investigations are complete. It will also ask for expedited hearings in the public interest. Should the FTC eventually win its case, it has said it may order Exxon to divest itself of any Reliance shares it has already acquired.

Upsurge at Carlsberg Malaysia

By Wong Sulong in Kuala Lumpur

CARLSBERG MALAYSIA'S interim results show sales rising by nearly 35 per cent to 37.3m ringgit, and profits increasing by 27 per cent to 4.4m ringgit (US$2.04m).

A sum of 2.1m ringgit, derived from the provision for tax made in 1978, which could now be deducted following the Government's publication of its accelerated depreciation allowance rules, also comes into the 1979 accounts. An interim dividend of 10 per cent is declared, compared with 6.7 per cent.

Carlsberg expects the second half profits to be equally satisfactory with the coming on stream of expanded production facilities and a "strong" Malaysian beer market.

● Profits of Alcom, the Malaysian associate company of Alcan of Canada, rose by 123 per cent to 1.88m ringgit for the first half of this year. Turnover rose by 39 per cent to 22.6m ringgit.

German state issue

THE West German Government is to raise DM 1.6bn on the German capital market via a ten year bond issue, our financial staff writes. The bond will carry a coupon of 7¾ per cent and be priced at 99.5. Last month's Government bond issue was for ten years at par on a coupon of 8 per cent.

Strong home sales put Sanyo Electric ahead

BY YOKO SHIBATA IN TOKYO

SANYO ELECTRIC COMPANY, the major integrated manufacturer of electric appliances increased its consolidated first-half net earnings by 6.3 per cent to Y7.96bn ($37m), from the year-earlier level. Consolidated sales for the five months to May 31 were Y331,335bn ($1.5bn), up 3.2 per cent.

Because of export restrictions on sales of colour television sets to the U.S. and the yen appreciation, Sanyo's overseas sales declined by 9.9 per cent to Y152,08bn., to account for 45.9 per cent of total sales. The sluggishness of exports was offset by strong domestic sales which went up 17 per cent to Y179,26bn., and accounted for 54.1 per cent of the total turnover—helped by favourable sales of air-conditioners (up 28 per cent) and refrigerators (up 18 per cent).

The yen's appreciation generated an exchange loss of Y27bn, about 70 per cent of which was offset by rationalisation measures and price increases, according to the company. Exchange losses apart a Y4.2bn valuation loss on the overseas inventories was incurred.

Canadian oil groups lift earnings

By Robert Gibbens in Montreal

TWO MAJOR Canadian-based oil groups report sharp increases in earnings for the first half of this year.

Petrofina (Canada) earned C$31.4m or C$3.13 a share in first half of this year against C$8.3m or 83 cents a year earlier. Revenues totalled C$365m compared with C$286m. The profit gains reflected better margins for petrochemicals and refined products and a "significant" increase in oil production.

The company expects to spend C$62m on capital additions this year, up 41 per cent from last year. Average daily production of crude oil and gas liquids was 3,486 cubic metres (21,900 barrels), up 27 per cent. Gas sales averaged 2.5m cubic metres (87m cubic feet), up 5.5 per cent.

At the same time BP Canada, the Canadian arm of British Petroleum, earned C$26.5m or C$1.25 for the first half of 1979, against C$18.4m or 87 cents restated for accounting change a year earlier. Sales were C$470.6m against C$403.9m. Gains were due to better margins on refined products, higher prices for crude oil and gas, and higher crude oil sales by volume.

Capital outlays were C$35m against C$24m.

PM (Australia) setback

BY JAMES FORTH IN SYDNEY

PHILIP MORRIS (Australia), the cigarette and wine group, suffered a 17 per cent fall in earnings for the year to June 30. In contrast with the buoyant result reported earlier in the week by its major rival, Rothmans of Pall Mall (Australia).

The profit of Philip Morris, controlled by the U.S. group, fell from A$22.13m to A$18.4m (U.S.$20.7m), reflecting strong competition in the cigarette industry and a reduction in the overall tobacco market—following sharp increases in excise duty last August.

The market conditions for tobacco products maintained persistent pressure on the company's sales volume and profit margins. The experience of Philip Morris contrasts with that of Rothmans, which increased its share of the tobacco market.

The Philip Morris wine offshoot, Lindemans, lifted earnings to a record level despite intense competition. The profit downturn reduced earnings per share from 97.6 cents to 81.1 cents, but the dividend is maintained at 50 cents a share.

CURRENCIES, MONEY and GOLD

Dollar pressure builds up

The U.S. authorities' firm resolve to maintain a steady dollar may well be put to the test in the coming weeks. Just recently sterling has borne the brunt of market speculation, with uncertainty prompting the unwinding of long positions. However, now that it seems to have found some stability at these lower levels, attention may well focus again on the dollar, as fundamental economic indicators begin to re-assert themselves.

A taste of things to come may have been given after last Thursday's announcement of a 1.1 per cent rise in the U.S. wholesale prices index. This shook the dollar out of its recent sleepy period and persuaded the Federal Reserve Bank to intervene in the market to support its currency. In July the Fed probably won the first round by containing the fall in value of the dollar, but at considerable cost. Perhaps we are now to see how each competitor fares in round two.

Further economic indicators stirred up a little trade last week and the foreign exchange market began to regain some of the pace that has been lacking just recently. A lot of attention had surrounded the dollar/sterling rate, with other currencies showing little change among themselves.

The dollar's weaker tendency was also reflected by the performance of gold. After a relatively short, but sharp period of decline, when the metal fell from a record close of $306¾ on July 26, to $282¼ on August 6, or nearly 8 per cent, last week's trading saw a fairly dramatic turnaround. Some dealers held the view that gold's decline had been somewhat overdone, and this was borne out to some extent as interest started to pick up at the lower levels. From its recent low of $282¼, gold has recovered to $302¾ and seems set to reach yet another record level.

	Aug. 10	Aug. 9
Gold Bullion (fine ounce)		
Close	$302-302¾ (£134.3-134.7)	$296-296¾ (£132.3-132.6)
Opening	$299¾-300½ (£133.9-134.2)	$293-293¾ (£131.4-131.8)
Morning fixing	$302.80 (£135.269)	$292.75 (£131.643)
Afternoon fixing	$303.75 (£134.622)	$297.10 (£132.931)
Gold Coins, domestically		
Krugerrand	$313½-315½ (£138¼-139¼)	$304-306 (£136¼-137¼)
New Sovereigns	$77¾-79¾ (£34¼-35¼)	$76¾-78¾ (£35¼-36¼)
Old Sovereigns	$103½-105½ (£46-47)	$102½-104½ (£45¾-46¾)
Gold Coins, internationally		
Krugerrand	$313½-315½ (£138¼-139¼)	$304-306 (£136¼-137¼)
New Sovereigns	$77¾-79¾ (£34½-35½)	$76¾-78¾ (£35¼-36¼)
Old Sovereigns	$103½-105½ (£46-47)	$102½-104½ (£45¾-46¾)
$20 Eagles	$416-421	$422½-424½
$10 Eagles	$236-241	$233-236
$5 Eagles	$179-185	$176-181

CURRENCY RATES

Aug. 10	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	14	0.581820	0.617902
U.S. $	10	1.30561	1.38956
Canadian $	11¼	1.52822	1.62827
Austria Sch.	3¾	17.3257	18.4755
Belgian F.	9	37.9676	40.4982
Danish K.	9	6.83558	7.28391
D Mark	5	2.37127	2.52779
Guilder	8	2.60667	2.77960
French Fr.	9½	5.62274	5.89006
Lira	10½	Unavail.	1133.62
Yen	5¼	281.971	299.958
Nrwgn. K.	7	6.51349	6.94822
Spanish Pes.	8	86.2573	92.0720
Swedish Kr.	7	5.48168	5.84422
Swiss Fr.	1	2.14509	2.28738

OTHER MARKETS

August 10	£	$		£ Note Rates
Argentina Peso	3112-3132	1385-1395	Austria	29-30
Australia Dollar	1.9845-1.9946	0.8830-0.8875	Belgium	67-68
Brazil Cruzeiro	59½-60½	26.45-26.90	Denmark	11.65-11.80
Finland Markka	8.63-8.64	3.8395-3.8440	France	9.40-9.50
Greek Drachma	80.778-82.714	35.95-36.80	Germany	4.00-4.10
Hong Kong Dollar	11.60¼-11.62¼	5.1635-5.1725	Italy	1,800-1,850
Iran Rial	157.30-166.30	70-74	Japan	480-490
Kuwait Dinar (KD)	0.612-0.627	0.2753-0.2755	Netherlands	4.40-4.50
Luxembourg Frc.	65.50-65.60	29.16-29.18	Norway	11.10-11.25
Malaysia Dollar	4.8335-4.8435	2.1505-2.1550	Portugal	102-108
New Zealand Dlr.	2.2025-2.2125	0.9800-0.9845	Spain	145-148
Saudi Arab. Riyal	7.47-7.57	3.3598-3.3605	Switzerland	3.60-3.70
Singapore Dollar	4.83¼-4.84¼	2.1500-2.1545	United States	2.23-2.24½
Sth. African Rand	1.8730-1.8830	0.8330-0.8380	Yugoslavia	43-44

Rate given for Argentina is free rate.

THE DOLLAR SPOT AND FORWARD

Aug. 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.2350-2.2585	2.2470-2.2480	0.52-0.42c pm	2.50	1.70-1.60 pm	2.93
Ireland†	2.0655-2.0700	2.0680-2.0700	1.45-1.25c pm	7.75	3.90-3.70 pm	7.34
Canada	1.1712-1.1727	1.1724-1.1727	0.04-0.07c dis	−0.56	0.12-0.16dis	−0.47
Nethlnd.	1.9980-2.0025	2.0005-2.0025	0.53-0.43c pm	2.87	1.00-0.90 pm	1.89
Belgium	29.09-29.15	29.13½-29.15	0.6c pm-1.0c dis	−0.10	3-5 dis	−0.54
Denmark	5.2410-5.2470	5.2455-5.2470	1.55-2.05ore dis	−4.11	5.80-6.30dis	−4.61
W. Ger.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Portugal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Spain	66.04-66.13	66.09-66.13	110-140c dis	−22.68	310-340dis	−19.66
Italy	816.30-816.20	815.90-816.20	0.40-0.90 lire dis	−0.96	5.60-6.60dis	−2.94
Norway	4.9957-5.0019	5.0000-5.0010	0.60-0.10ore pm	0.83	1.35-0.85 pm	0.87
France	4.2350-4.2470	4.2450-4.2470	0.03c pm-0.05dis	−0.50	0.76-0.86dis	−0.19
Sweden	4.2044-4.2075	4.2060-4.2075	0.15ore pm-0.05dis	0.14	0.35-0.55dis	−0.42
Japan	215.60-216.20	215.80-216.00	1.10-0.95y pm	5.69	2.85-2.70 pm	5.14
Austria	13.287-13.295	13.290-13.295	8.25-5.75gro pm	5.41	14.75-13.25pm	4.21
Switz.	1.6420-1.6515	1.6455-1.6465	1.49-1.44c pm	10.68	3.96-3.91 pm	9.56

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

THE POUND SPOT AND FORWARD

Aug. 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.2350-2.2585	2.2470-2.2480	0.52-0.42c pm	2.51	1.70-1.60 pm	2.94
Canada	2.6170-2.6475	2.6340-2.6350	0.65-0.55c pm	2.73	1.75-1.65 pm	2.58
Nethlnd.	4.48-4.51½	4.49¾-4.50½	2¼-1¼c pm	5.33	5¼-4¾ pm	4.78
Belgium	65.05-65.70	65.50-65.60	15-5c pm	3.66	45-35 pm	2.44
Denmark	11.72-11.80	11.78¼-11.79¼	½-2½ore dis	−1.53	3¼-5¼ dis	−1.53
Ireland	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
W. Ger.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Portugal	109.80-110.90	110.15-110.45	50-110c dis	−8.70	[illegible] dis	−6.17
Spain	147.80-149.00	148.50-148.60	205-255c dis	−18.58	530-630dis	−15.62
Italy	1,824-1,839	1,834-1,835	3½-1½ lire pm	1.64	1½ pm-½ dis	0.11
Norway	11.17-11.27	11.23¾-11.24¾	4¼-2¼ore pm	3.47	11¼-9¼ pm	3.65
France	9.47-9.56	9.53¾-9.54¾	2½-1½c pm	2.52	6-5 pm	2.31
Sweden	9.40-9.48	9.45¼-9.46¼	2¼-1¼ore pm	1.90	6¼-4¼ pm	2.33
Japan	480-490	485-486	3.80-3.25y pm	8.67	9.95-9.60 pm	8.05
Austria	29.70-29.90	29.85-29.90	23-13gro pm	7.23	58-48 pm	7.10
Switz.	3.67-3.71	3.69¼-3.70¼	4¼-3¼c pm	12.57	11¼-10¼ pm	12.30

Belgian rate is for convertible francs. Financial franc 68.05-68.15c pm. Six-month forward dollar 2.98-2.88c pm: 12-month 5.00-4.90c pm.

EXCHANGE CROSS RATES

August 10	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lire	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.248	4.100	485.5	9.543	3.700	4.500	1835.	2.635	65.55
U.S. Dollar	0.445	1.	1.824	216.0	4.245	1.646	2.002	816.2	1.172	29.17
Deutschemark	0.244	0.548	1.	118.4	2.327	0.902	1.098	447.4	0.643	15.99
Japanese Yen 1,000	2.060	4.629	8.445	1000.	19.65	7.631	9.269	3779.	5.426	135.0
French Franc 10	1.048	2.355	4.297	508.8	10.	3.877	4.716	1922.	2.761	68.69
Swiss Franc	0.270	0.607	1.108	131.2	2.579	1.	1.216	495.8	0.712	17.72
Dutch Guilder	0.222	0.499	0.911	107.9	2.121	0.822	1.	407.7	0.585	14.57
Italian Lira 1,000	0.545	1.225	2.235	264.6	5.202	2.017	2.453	1000.	1.436	35.73
Canadian Dollar	0.380	0.853	1.556	184.3	3.622	1.404	1.708	696.5	1.	24.88
Belgian Franc 100	1.526	3.429	6.255	740.7	14.56	5.645	6.865	2799.	4.019	100.

LONDON MONEY RATES

Aug. 10 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ⊕	Eligible Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	12-14¼	—	—	—	14¼	13½-14	—	—	—
2 days notice	—	—	14-14½	—	—	—	—	—	—	—
7 days or 7 days notice	—	14-14½	14¼	—	14½	14⅝	13⅞	—	—	—
One month	14⅛-14⅛	14⅛-14⅜	14-14½	15-14⅝	14⅝	14½	13⅞	13⅜-13¼	14¼	14½
Two months	14⅛-14⅛	14⅛-14⅛	—	14½-14¼	14⅝	—	13¾	13⅜	14¼-14⅜	14½
Three months	14⅛-14⅛	14⅛-14⅛	14-14½	14½-13⅞	14⅝	14⅜	13⅝	13⅜-13⅜	13⅜	14½
Six months	13⅝-13¾	14⅛-14⅛	13½-13⅝	13⅝-13	13⅞	—	—	—	12¾	13½
Nine months	12⅞-13⅛	13⅛-13⅛	—	13½-12¾	13½	—	—	—	—	—
One year	12⅞-12⅞	12⅞-12¾	13	13¾-12⅝	13½	—	—	—	—	—
Two years	—	—	13	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days fixed. *Long-term local authority mortgage rates nominally three years 12⅞-13 per cent; four years 12⅞-13⅛ per cent; five years 12⅞-13⅛ per cent. ⊕ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 13⅝ per cent; four-month trade bills 13⅝ per cent.

Approximate selling rate for one-month Treasury bills 13¾ per cent; two month 13⅜ per cent; three-month 13⅝ per cent. Approximate rates for one-month bank bills 14⅛-14⅜ per cent; two-month 14⅛ per cent; and three-month 13⅞ per cent; one-month trade bills 14⅜ per cent; two-month 14⅛ per cent; and three-month 14 per cent.

Finance House Base Rates (published by the Finance Houses Association) 14 per cent from August 1, 1979. Clearing Bank Deposit Rates for small sums at seven days' notice 11½-12 per cent. Clearing Bank Rates for lending 14 per cent. Treasury Bills: Average tender rates of discount 13.2760 per cent.

MONEY RATES

NEW YORK

Prime Rate	11.5-11.75
Fed Funds	10.6875
Treasury Bills (13-week)	9.39
Treasury Bills (26-week)	9.41

GERMANY

Discount Rate	5
Overnight Rate	6.20
One month	6.50
Three months	7.00
Six months	7.40

FRANCE

Discount Rate	9.5
Overnight Rate	10.375
One month	10.5
Three months	10.6875
Six months	10.75

JAPAN

Discount Rate	5.25
Call (Unconditional)	6.625
Bills Discount (three-month)	7.00

PENDING DIVS.

Company	Date	Announcement last year
*Assoc. Dairies	Aug. 29	Final 0.416
*BICC	Sept. 4	Int. 2.5
BSR	Sept. 11	Int. 1.413
Babcock and Wilcox	Sept. 13	Int. 2.931
Barrow Hepburn	Aug. 16	Int. nil
BBA Group	Aug. 31	Int. 0.8777
Bell (A.)	Sept. 14	Final 2.682
Blackwood Hodge	Sept. 5	Int. 1.3
Blue Circle	Aug. 24	Int. 3.22
Booker McConnell	Sept. 14	Int. 2.95
*Bowater	Sept. 11	Int. 4.06
*British Aluminium	Aug. 15	Int. 29.851
British Electric Traction	Sept. 7	Final 4.086
British Petroleum	Sept. 7	Int. 7.795
British Vita	Sept. 14	Int. 1.07
Brittains	Sept. 5	Int. 0.7
Cadbury Schweppes	Sept. 7	Int. 0.95
*Carrington Viyella	Aug. 15	Int. 0.67
Carpets Int.	Sept. 13	Int. 1.675
Collins (Wm.)	Sept. 7	Int. 2.086
*Commercial Union	Aug. 14	Int. 2.863
Corah	Aug. 17	Int. 0.9
*Coral Leisure	Aug. 17	Int. 3.0
Costain	Aug. 16	Int. 2.0
Croda Int.	Sept. 14	Int. 1.081
Dalgety	Sept. 6	Final 5.632
Decca	Sept. 5	Final 5.596
Dutton-Forshaw	Sept. 14	Int. 1.25
*Evode	Aug. 15	Int. 0.3629
Fairclough Cons.	Aug. 29	Int. 1.5
*GRE	Sept. 5	Int. 4.558
*General Accident	Aug. 16	Int. 4.125
*Gibbons Dudley	Sept. 13	Int. 0.74326
Guest Keen	Sept. 15	Final 5.59
Guinness Peat	Sept. 6	Final 8.0
Harrison's Malaysian Ests.	Sept. 11	Sec. int. 2.75
Hepworth Ceramic	Sept. 6	Int. 1.75
Hoffnung (S.)	Aug. 25	Final 2.8142
House of Fraser	Aug. 24	Int. 1.8865
*ICI	Aug. 23	Int. 10.0
*IMI	Aug. 28	Int. 1.875
Johnson and Firth Brown	Sept. 14	Final 3.459
*Ladbroke	Sept. 4	Int. 3.5
Laing (J.)	Aug. 31	Int. 1
Lead Inds.	Sept. 14	Int. 3.3
Liverpool Daily Post	Sept. 13	Int. 3.012
Lond. Merchant Secs.	Sept. 8	Final 1.167
*Low and Bonar	Sept. 17	Int. 4.0
Matthews Wrightson	Aug. 31	Int. 3.5953
*Metal Closures	Sept. 10	Int. 1.9
Mills and Allen Int.	Aug. 21	Final 5
*Morgan Crucible	Sept. 6	Int. 3.653
Northern Eng. Inds.	Sept. 13	Int. 2.5
Nurdin and Peacock	Sept. 5	Int. 0.87
Ocean Transport	Aug. 22	Int. 3.9192
Oliver	Aug. 29	Int. 1.18
P & O	Sept. 5	Int. 3.0
*Pearl Assce.	Aug. 29	Int. 7.85
Phoenix Assce.	Sept. 6	Int. 5.112
Portals	Sept. 6	Int. 3.85
*Provident Financial	Sept. 4	Int. 1.8
Prudential Assce.	Sept. 14	Int. 4.185
Pye	Aug. 18	Int. 1.225
Raybeck	July 12	Final 2.3512
*Royal Insce.	Aug. 16	Int. 7.272
Sedgwick Forbes	Aug. 24	Int. 4.0
*Shell Transport	Aug. 16	Int. due
*Slough Estates	Aug. 29	Int. 1
*Smith and Nephew	Aug. 14	Final 0.9105
Staflex Int.	July 28	Final nil
*Stenhouse	Aug. 23	Int. 1.825
*Sunley (B)	Aug. 13	Final 2.7
*Transport Dev.	Aug. 16	Int. 1.25
*Tube Invs.	Aug. 15	Int. 10.975
*Unilever	Aug. 15	Int. due
*Unilever NV	Aug. 15	Int. 15 cents
*Wagon Finance	Aug. 31	Int. 0.625
Weir Group	Aug. 30	Int. 1.8634
*Woolworth (F. W.)	Aug. 15	1.225

* Board meeting intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made. ¶ Forecast.

BASE LENDING RATES

A.B.N. Bank	14 %	■ Hambros Bank	14 %
Allied Irish Bank Ltd.	14 %	■ Hill Samuel	§14 %
Amro Bank	14 %	C. Hoare & Co.	†14 %
American Express Bk.	14 %	Julian S. Hodge	15 %
Henry Ansbacher	14 %	Hongkong & Shanghai	14 %
A P Bank Ltd.	14 %	Industrial Bk. of Scot.	14½%
Associates Cap. Corp.	14 %	Keyser Ullmann	14 %
Banco de Bilbao	14 %	Knowsley & Co. Ltd.	15½%
Bank of Credit & Cmce.	14 %	Lloyds Bank	14 %
Bank of Cyprus	14 %	London Mercantile	14 %
Bank of N.S.W.	14 %	Edward Manson & Co.	15 %
Banque Belge Ltd.	14 %	Midland Bank	14 %
Banque du Rhone et de la Tamise S.A.	14½%	■ Samuel Montagu	14 %
Barclays Bank	14 %	■ Morgan Grenfell	14 %
Bremar Holdings Ltd.	15 %	National Westminster	14 %
Brit. Bank of Mid. East	14 %	Norwich General Trust	14 %
■ Brown Shipley	14 %	P. S. Refson & Co.	14 %
Canada Perm't Trust	14 %	Rossminster	14 %
Cayzer Ltd.	14 %	Ryl. Bk. Canada (Ldn.)	14 %
Cedar Holdings	14 %	Schlesinger Limited	14 %
■ Charterhouse Japhet	14 %	E. S. Schwab	15 %
Choulartons	14 %	Security Trust Co. Ltd.	15 %
C. E. Coates	14 %	Shenley Trust	16 %
Consolidated Credits	14 %	Standard Chartered	14 %
Co-operative Bank	*14 %	Trade Dev. Bank	14 %
Corinthian Secs.	14 %	Trustee Savings Bank	14 %
Credit Lyonnais	14 %	Twentieth Century Bk.	15 %
The Cyprus Popular Bk.	14 %	United Bank of Kuwait	14 %
Duncan Lawrie	14 %	Whiteaway Laidlaw	14½%
Eagil Trust	14 %	Williams & Glyn's	14 %
English Transcont.	14 %	Yorkshire Bank	14 %
First Nat. Fin. Corp.	15½%		
First Nat. Secs. Ltd.	15½%		
■ Antony Gibbs	14 %		
Greyhound Guaranty	14 %		
Grindlays Bank	‡14 %		
■ Guinness Mahon	14 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 11½%, 1-month deposits 11½%.
† 7-day deposits on sums of £10,000 and under 11½%, up to £25,000 12% and over £25,000 12½%.
‡ Call deposits over £1,000 11½%.
§ Demand deposits 11½%.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p	+ or −	Net Div.	Times Covered	Gross Yield	P/E Ratio
««	F.P.	24/8	75	60	Arrow Chemicals	71		b2.0	2.5	4.0	15.4
««	F.P.	—	86½	83	Barlow Hldgs.	84	−1	T2.6	1.1	4.4	23.2
««	F.P.	27/7	105½	98½	Fairline Boats	102		b3.5	3.6	4.9	7.3
160	F.P.	3/8	167	165	Mercantile House	165		10.72	2.3	8.3	7.5
««	F.P.	10/8	57	26	Mettoy Dfd.	50		—	—	—	—
««	F.P.	—	36	30	St. George Assets 10p	35	−1	bd1.8	1.5	4.1	22.7
160	F.P.	8.8	196	196	Standard Tel.&Cables	196		b8.0	2.1	5.8	11.8

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price	+ or −
¶91	F.P.	21.9	87	86¼	Aurora 8¼ Conv. Cum. Pref.	87	
100	F.P.	20.7	101¼	92	English & Overseas Inv. Conv.	92	
¶96½	£10	—	11¼	8¾	Essex Water 8% Red Pref. 1984	11¼	
100	F.P.	27/7	115	107¼	Kwik-Fit (Tyres) 8% Cnv. Ln. 1979-85	112	
««	F.P.	—	73¼	73	Lonrho 9% 2nd Mort. Deb. 87-92	73¼	+¾
««	F.P.	—	90¼	89½	Do. 12¼% 2nd Mort. Deb. 85-90	90¼	−¼
««	F.P.	—	98½	97	Do. 13½% 2nd Mort. Deb. 80-83	98½	+1½
97	Nil	—	98½	97¼	Scot. Agricultural Sec. 13¼ Deb. 97-99	98½	
100p	—	—	102	100	Stonehill 10½% Cum. Prf.	100	
¶98	F.P.	24/8	101	100½	Sund. & S. Shields Water 8% 1986	101	
¶98	£10	18/10	15	10½	Wrexham Water 8% 1984	15	

"RIGHTS" OFFERS

Issue Price p‡	Amount Paid up	Latest Renunc. Date ●	Latest Renunc. Date ■	1979 High	1979 Low	Stock	Closing price p‡	+ or −
14	Nil	—	—	4pm	4pm	Abwood Machine Tools	4pm	
25	Nil	—	—	45pm	40pm	Bank & Commercial	40pm	−2
A$2	F.P.	—	—	157	139	Bank of New South Wales	157	−6
36	F.P.	9/7	10/8	41½	36½	Causton Sir (J.)	41	
65	F.P.	17/7	10/8	90	82	Century Oils	86	−1
52½	F.P.	10/7	10/8	63	55	Combined English Stores	60	
30	F.P.	3/8	24/8	41	39	Control Securities	39	
25	F.P.	8/8	10/8	29	28	Edinburgh & Gen.	29	
195	F.P.	20/7	10/8	225	208	Elliott (B.)	214	
25	Nil	15.8	17.8	26pm	13pm	Goodkind (W.)	19pm	
60	F.P.	3 8	7/9	82	77	Goldberg (A)	82	
126	F.P.	29.6	10/8	155	131	Grand Metropolitan	149	−1
80	F.P.	6.8	31/8	121	100	Hanson Trust	116	
47	F.P.	30.7	28/8	50	47½	Hargreaves	49	
115	Nil	—	—	14pm	9pm	Hay's Wharf	13pm	+1
88	F.P.	27/7	24/8	101	91	Highland Dist.	95	
155	F.P.	13/7	24/8	208	182½	Holt Lloyd Intl	205	
110	F.P.	5/7	7/9	116	107	Intl. Timber	116	+1
30	Nil	—	—	9pm	6pm	Lennons	9pm	
5	Nil	—	—	3½pm	3pm	London Inv. Trust	3pm	
25cts	Nil	15.8	17/8	1pm	Nil	Ovenstone	Nil	
60	F.P.	20/7	10/8	134	110	Sound Diffusion	128	−1
108	F.P.	27/7	20/8	216	126	Stylo Shoes	214	+6
57	F.P.	20.7	24/8	71	60	UBM	70	−1
87	F.P.	13/7	10/8	110	94	W.G.I.	107	+1

Renunciation date usually last day for dealing free of stamp duty. b *Figures based on prospectus estimate.* g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. p‡ Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† *Unlisted security.* ‡‡ Issued as units comprising 2 Income shares and 10 Capital shares at 125p per unit.

CORAL INDEX: Close 468-473

INSURANCE BASE RATES

† Vanbrugh Guaranteed	12¼%
† Property Growth	11¼%

† Address shown under Insurance and Property Bond Table.

A quiet but interesting market in Holland

BY JOHN MAKINSON

THE Dutch East India Company listed its shares on the Amsterdam Stock Exchange in the early 17th century and paid dividends in peppercorns. A hundred years ago the exchange was financing railroads in the U.S. It has retained its international flavour but the recent history has been less glorious. The number of listed domestic shares has halved over the last five years, turnover of shares and bonds is falling, and the issue market for equities is in the doldrums.

The dull performance of Amsterdam's bourse may have led U.K. investors, now freed of the dollar premium, to overlook it. The Capital International Index ended last year virtually unchanged from the opening, and this year's slightly firmer trend is mostly attributable to the rise and rise of Royal Dutch.

Yet by the middle of 1979 the average price/earnings ratio on the Amsterdam exchange was 5.1, the lowest of any major bourse, and the average yield of 6.9 per cent was the most generous. For guilder bonds, the real yield of around four per cent is the highest ever in Holland. Amsterdam may be quiet but it doesn't look unattractive.

DUTCH STOCKS

TURNOVER — the Stock Exchange publishes figures for transactions passing through its clearing system, which accounts for almost all trading. In 1978, share turnover was £4.5bn in shares and £4.9bn in public bonds. Turnover has been slightly slower so far this year.

DEALING — Each listed security is traded at one of the 82 hoeken (pitches) on the exchange floor through *hoeklieden* (specialists). Internationals and leading domestic shares are traded on a continuous basis, while for most domestic equities there are two quotations a day. Block transactions may be negotiated outside stock exchange hours.

TAX AND COMMISSION — There is no tax on bond dividends. Withholding tax of 15 per cent is payable on equity dividends, but this may be offset against UK tax if dividends are repatriated. Commissions are fixed by the Stock Exchange and, for foreign clients, vary between 0.525 and 0.75 per cent depending on the size of the order. Deals may also be transacted on a net basis. Stamp duty is 0.12 per cent.

MARKET VALUATION OF INTERNATIONAL AND DOMESTIC STOCKS (July 31)

	Capitalisation (Guilders m)	Price	P/e*	Yield*
Royal Dutch	19,433	144.5	4.4	7.4
Unilever	4,161	129.4	6.2	6.8
ABN	1,961	328	4.5	7.4
Heineken	948	82	8	4.3
Elsevier	335	271	7.6	3.4
Gist-Brocades	178	41.8	8.3	5.3

* P/e and yield are historic.

Appealing

The structure of the market itself should appeal to the British investor. The banks, while acting as brokers, do not have the stranglehold on the market that their German counterparts enjoy. The bourse may be modest by London's standards, but there is a broad spread of investors, with private individuals probably holding around half the listed shares.

Commissions are lower than on other European exchanges (and foreigners obtain a 25 per cent discount), while there is no local withholding tax to be paid, so long as equity dividends are repatriated. The dealing practices will be familiar to London fund managers. The broking function is shared by banks and professional stockbrokers, while the work of the jobber is done by *hoeklieden*, floor-traders specialising in a particular security.

British investors will be guaranteed a warm welcome in Holland. Commissions are so low that the local banks claim to be losing money on their securities business with local clients. Trading major shares with foreign clients, however, they can deal on a more remunerative basis.

Dutch banks will probably be as keen to recommend guilder bonds as listed shares. Both kinds of security are traded in the same way and the bonds are currently offering an average yield of almost 9 per cent—or about two points more than the average equity.

There is unlikely to be any dramatic fall in bond yields as the Dutch Government is committed to a tight credit policy, and the gentlemen of the Bundesbank are helping to keep rates high in all EMS currencies.

Nonetheless, a modest capital gain may be available if last week's developments are anything to go by. The Dutch Government accepted tenders for Guilders 800m of 9 per cent paper and demand was nothing like satisfied. Banks, which were quoting rates of 1 per cent above par after the tender closed, believe yields may have peaked for the time being.

The prospects for the Dutch economy and the low growth so far discounted in Dutch shares suggest that the scope for appreciation in equities may offset the higher yield on the bonds. The real growth rate could slip by half a percentage point next year, but should hold at a respectable two per cent. Inflation is under control and natural gas sales are helping to keep the balance of payments deficit within manageable proportions—it should be close to 1978's Guilders 1.9bn this year.

International

The hitch is that the Dutch stock exchange is more a bell-weather of international economic conditions than of strength or weakness at home. International stocks account for the bulk of the market's capitalisation, with Royal Dutch alone making up 40 per cent of the totals. The 10 largest market valuations (all companies with international interests) account for 75 per cent of total equity values — a higher proportion than on any other leading bourse.

Moreover, there are more foreign shares listed than domestic shares and the degree of foreign trading involvement is high.

The bulk of turnover on the exchange is in the international stocks (Royal Dutch, Philips, Unilever, Akzo and Hoogovens) and in a plethora of mutual funds on which UK investors must still pay the premium. There has been some British buying of internationals since exchange controls were relaxed, primarily in Royal Dutch and Unilever where arbitrage profits were to be made on switching from the British to the Dutch company. The currency diversification may be attractive to some fund managers, while pessimists among them could be tempted to hedge on a reintroduction of the premium.

Expansion

These international shares can, however, be bought and sold on other leading bourses, so the fund manager will probably need a fatter carrot to bring him to Amsterdam.

Among the local stocks, the financial sector has traditionally been the star performer. The local ANP/CBS index, based on 1970, showed the banks at 267 and insurance companies at 167 last Monday. The index for internationals was 82 and, for local industrials, a depressing 76.

The average price/earnings ratio for Dutch banks is about half that of their German competitors (*ABN is on about 4.5* and Deutsche on over nine) and, though they do not have the attractive equity investments of the German houses, they are competing on the same international markets under the same conditions.

The major insurance companies are currently expanding abroad in a big way and analysts in Amsterdam believe this should enhance their earnings potential. Nationale-Nederlanden, which is buying a U.S. insurance group, trades on an earnings multiple of around six, compared with nine for Germany's Allianz.

Amsterdam also offers the UK investor exposure in the airline sector, through KLM. The share price is volatile but, until British Airways is offered to the public, there is nothing comparable in London.

The industrial sector may look less tempting to the fund *manager with a long memory*. British investors had their fingers badly burnt on many local stocks during 1975 and 1976 and Dutch bankers fear they may take a once bitten, twice shy approach.

Bad memories are not the only drawback in trading domestic Dutch stocks. Marketability is limited, which can be a bugbear at times of foreign exchange volatility, and the Dutch themselves claim to be fully invested in many local shares, implying that any bullish impetus must come from abroad. This appears paradoxical, given the liquidity of Dutch institutions and the amount of money swishing around on short-term deposit. Local insurance companies, for instance, have a relatively low equity portfolio and have allocated much of the short-term money to fixed-interest investments.

The same handicaps apply to an even greater extent on the sizeable market in unlisted shares, which is supervised by two leading Dutch brokers and Kredietbank. This has generally outperformed the bourse but it has a high casualty rate and trading can be very thin.

Dutch bankers and *fund* managers often appear unenthusiastic about their own domestic share market. There *is talk of freeing the commission* structure to encourage investment in foreign stocks in Amsterdam and one manager admitted to a policy of switching more of his portfolio to Wall Street. The tulips appear redder on the other side. British investors have been sniffing around Amsterdam to see what is available but there has so far been little buying, except in the leading internationals.

The Amsterdam *Exchange* shows little sign of taking fire and the phlegmatic Dutch give the impression that they would find it vaguely embarrassing if it did. But, for the selective British investor, it offers more than peppercorns.

INSURANCE

Drinking and driving law reform overdue

BY OUR INSURANCE CORRESPONDENT

[TH]E TRANSPORT and Road [Re]search Laboratory has just [pu]blished its Supplementary [Re]port 441, entitled A Review of [Dr]inking and Drug Taking in [Ro]ad Accidents in Great Britain. [It] concludes that about one road [de]ath in five results from drink[in]g in excess of the legal limit.

The report sets out the most [up]-to-date evidence: 38 per cent [of] car and vehicle drivers, and [..] per cent of motorcyclists [ha]ve been found on post-mortem [ex]amination to have had more [tha]n the legal 80 milligrams of [alc]ohol per 100 millilitres of [bl]ood. Moreover, these per[cen]tages rise to an astonishing [..] per cent and 56 per cent res[pe]ctively, on Friday and Satur[da]y nights. Drivers who have [be]en drinking often carry [pa]ssengers, and 34 per cent of [..] passengers killed in car and [ve]hicle accidents are shown to [ha]ve had excess alcohol.

Quite clearly our drinking and [dr]iving laws are long overdue [fo]r reform. We are all entitled [to] ask our MPs and the Ministry [of] Transport why the recom[me]ndations in the Blenner[ha]ssett Report, tabled in 1976, [ha]ve so long been ignored. It [is] not only that there could have [be]en substantial reduction in [th]e 1,500 or so deaths that are [di]rectly due to drinking and [dr]iving. There are some tens of [th]ousands of injuries that could [be] avoided as well.

In the seven years after the [la]st substantial reform of the [la]w in the 1960s it is reckoned [th]at about 5,000 deaths and [..]0,000 injuries were avoided. [Th]e same kind of consequence [co]uld flow from early legislation [on] the lines recommended three [ye]ars ago by the Blennerhassett [Co]mmittee. There would be a [po]sitive reduction in accidents [an]d in the number and cost of [in]jury compensation claims both [to] the State and to motor [in]surers. There would also be [co]nsiderably less pressure for [m]otor premium rating increases.

It seems that the Government, [if] it wishes, has the opportunity [in] the coming Parliamentary [se]ssion to grapple with this [so]cial drinking-driving problem.

Mr. Fowler, Minister of Transport, said last week that it is intended that there will be a Transport Bill introduced in the autumn. This would be primarily to change the laws relating to coaches, mini-buses and private cars, in order to encourage the greater use of cars for carrying paying passengers.

Better than a Transport Bill with relatively narrow purpose would be a Road Traffic Bill to deal with a number of outstanding issues including clauses for the implementation of some or all of the Blennerhassett recommendations.

But there is another matter, substantially of public policy, where successive governments have failed to grasp the nettle — the introduction of compulsory wearing of seat belts. All the evidence from overseas shows that proper enforcement of compulsory belt laws greatly reduces the number of road deaths and road injuries.

Proper enforcement by an inadequate police force poses a substantial problem. However, successive Bills have not failed on the enforcement issue, but because Ministers and MPs have not faced up to their responsibilities. As Westminster broke up for the summer vacation, seat belt prospects were in the hands of a private member's Bill lacking positive Government support.

A more technical matter is the long overdue reform of the deposit rule which permits the motorist, and more particularly the commercial motor operator, to make a £15,000 deposit with the Government instead of insuring his Road Traffic Act liability in the market.

The £15,000 sum was fixed in 1930 and has remained unchanged since, although there were proposals at the end of 1976 to increase the deposit to £250,000. As the pound's value has fallen further since 1976, some higher sum is clearly now required. The only other course is for the deposit alternative to be abrogated.

On all these matters legislation is long overdue.

APPOINTMENTS

APPOINTMENTS

Two new directors for BAT Stores

Mr. G. A. Cannon has been appointed a director of BAT STORES HOLDINGS, a subsidiary of BAT Industries. Mr. Cannon is a director of International Stores and chief executive of that company's Kearley and Tonge wholesale division. Mr. R. J. Hurn has also been made a director of BAT Stores Holdings. He is a director of International Stores and chief executive of its property division.

★

Mr. R. H. Ramsay has been appointed joint managing director of SARABEX LIMITED and Mr. R. F. Brinsden will become joint managing director on October 1. Mr. P. D. Porter joins the Board on that date. Mr. Brinsden will also take over the chairmanship and full authority for the UK company from Mr. R. S. Halabi, who will shortly resign to concentrate on development of the group's interests outside the UK in his capacity as group chairman. Mr. C. D. S. Williams resigns from the Board of the London company to assist in the group's overseas development but will be an adviser to the London Board. Mr. R. D. Joslin, who recently resigned as a director of Sarabex Limited, is to devote more time to the group's West German company, Sarabex A. G. Frankfurt, of which he is managing director.

★

WESTINGHOUSE ELECTRIC has formed an international organisation to provide co-ordination of its worldwide operations. Mr. John C. Marous has been appointed president, Westinghouse International, and will also become a member of the corporation's management committee. Mr. Chester A. Sadlow has been made corporate vice president and president, Europe, Africa and the Middle East. Mr. Clovis F. Obermesser, corporate vice president and president, Far East, and Mr. Thomas N. Humphreville, corporate vice president and president, Latin America. Also reporting to Mr. Marous in the new organisation will be Mr. Frank H. Tyaack, president of Westinghouse Canada, which is 93.3 per cent owned by Westinghouse Electric.

★

The following changes have been made in the management of the LONDON BROADCASTING COMPANY. Mr. Peter Thornton continues as editor IRN, but is also appointed deputy to Mr. Ron Onions, editorial director. Mr. Keith Belcher has relinquished the title of programme controller and becomes controller, news LBC. Mr. Steve Harvey moves into the new post of editorial administrator and Mr. Peter Murphy has been made deputy parliamentary editor.

★

Mr. David H. L. Hopkinson, chairman of M and G Investment Management, has been appointed chairman of the Southern Regional Board of BRITISH RAIL in place of Mr. Derek Palmer, who has resigned. Mr. Hopkinson has been a member of that Board since it was created in its present form in 1977. A new member on the Southern Board is Mr. John S. Duthie, a director of Blue Circle Industries and chief executive to the main operating group, Blue Circle Cement.

★

Mr. W. F. Lowdon is to relinquish the managing directorship of HARVEY NICHOLS, for personal reasons, and will leave that company on September 30. The parent concern is Debenhams.

★

Vero NC Developments, of Southampton, an associated company of Vero Precision Engineering, has changed its name to VERO ADVANCED PRODUCTS to reflect the expansion of the company's activities. Mr. Denis Kemp, formerly managing director of Vosper Thornycroft's shipbuilding division, is chairman, Mr. Ron Hartley, director of Standard Products, Mr. Martin Irongh, sales manager, and Mr. Terry Madden is responsible for electronics engineering.

TEL AVIV

Company	Prices Aug 12 1979	Change on the week
Bank, Insurance and Finance		
Bank Leumi le Israel	418	+ 5.0
IDB Bankholding	493	− 5.0
Bank Hapoalim Br	515	+ 6.0
Union Bank of Israel Br	426	+ 2.0
United Mizrahi Bank	301	− 4.0
Hassneh Insurance Br	288	− 17.0
Gen. Mortgage Bank Br	309	− 2.0
"Tefahot" Israel Mrtge	300	− 15.0
Land Development		
Af. Israel Inv. (IC103)	910	− 15.0
Israel Land Develop. Br	180	− 1.0
Property and Building	364	− 11.0
Public Utility		
Israel Electric Corp	243	+ 3.0
Investment Companies		
Bank Leumi Invest.	337	+ 8.0
"Clal" Israel Invest.	606	− 30.0
Discount Invest	272	− 2.0
Commercial and Industrial		
Alliance Tyre & Rubber 1	236	+ 4.0
Elco Br.	251	− 23.0
Argaman Textile Br	436	− 4.0
"Ata" Textile "B"	146	− 13.5
Amer. Israeli Ppr. Mills	781	− 29.0
Assis	501	+ 16.0
Elite	466	− 1.0
Teva Reg	530	− 31.0
Fuel and Oil		
Delek	206	− 11.0

Source: Bank Leumi le-Israel BM, Tel Aviv. b Bid

WORLD STOCK MARKETS

Indices

NEW YORK — DOW JONES

	Aug. 10	Aug. 9	Aug. 8	Aug. 7	Aug. 6	Aug. 3	1979 High	1979 Low	Since Compil'tn High	Since Compil'tn Low
● Industr'ls	[illegible]	[illegible]	[illegible]	859.81	848.56	846.16	[illegible]	807.00	1051.70	41.22
H'me B'nds	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	85.59	[illegible]	—	—
Transport.	[illegible]	[illegible]	262.55	259.50	[illegible]	254.97	[illegible]	205.78	279.88	12.23
Utilities	[illegible]	[illegible]	106.57	106.59	106.56	105.02	[illegible]	96.51	163.32	10.58
Trading Vol 000's	[illegible]	[illegible]	45,540	45,570	[illegible]	28,120	—	—	—	—

● Day's high 869.54 low 852.30

	Aug. 3	July 27	July 20	Year ago (approx)
Ind. div. yield %	5.73	5.75	5.83	5.25

STANDARD AND POORS

	Aug. 10	Aug. 9	Aug. 8	Aug. 7	Aug. 6	Aug. 3	1979 High	1979 Low	Since Compil'tn High	Since Compil'tn Low
Indust'ls	[illegible]	[illegible]	[illegible]	116.28	115.35	114.96	117.25	107.08	134.64	3.52
Composite	[illegible]	[illegible]	[illegible]	105.65	104.30	104.04	105.95	95.13	125.35	4.40

	Aug. 8	Aug. 1	July 25	Year ago (approx)
Ind. div. yield	5.15	5.22	5.34	4.70
Ind. P/E Ratio	8.21	8.07	7.99	9.97
Long Gov. Bond yield	8.85	8.91	8.91	8.52

EUROPE

AMSTERDAM

BRUSSELS/LUXEMBOURG

SPAIN

TOKYO

Source: Nikko Securities, Tokyo

COPENHAGEN

VIENNA

GERMANY

STOCKHOLM

SWITZERLAND

MILAN

OSLO

PARIS

HONG KONG

BRAZIL

AUSTRALIA

JOHANNESBURG

MINES

INDUSTRIALS

Financial Rand U.S.$0.87
(Discount of 27%)

CANADA

WALL STREET

NEW YORK

INTERNATIONAL BONDS BY FRANCIS GHILÈS

Inflation figures call the tune

THE EUROBOND market decided to turn a blind eye on the so-called "Volcker" rally which developed in the New York market *last week. This is* the second time since early July that a rally in New York bond prices has failed to spark a similar reaction on this side of the Atlantic. The cool reaction *of the Eurobond market turned* out to be correct last month, and it could well be the same this time.

Apart from the appointment of Mr. Paul Volcker very few encouraging events have occurred in the past three weeks. The 1.1 per cent increase in the U.S. wholesale price index for July is certainly not counted among them. The U.S. currency weakened after the publication of these figures, thus vindicating the Eurobond market view that until the new chairman of the Federal Reserves decides to show his hand, there is little point in trying to talk investors into purchasing dollar paper.

Many bankers in London hope that Volcker will choose to show his hand at the meeting of the Open Market Committee which takes place in Washington tomorrow. A signal through the Federal Funds market is widely expected to lead to a rise in prime U.S. bank rates later this week.

There was, however, a period of two days, at the beginning of last week, when a number of market participants believed that a short rally in dollar bond prices was in the making. At that time profit taking in the Deutsche-Mark sector was pushing the prices of D-Mark paper down.

The steady fall in yields offered to investors on D-Mark paper, whether foreign or domestic, combined with the news of the rising inflation rate in Germany, made many bankers, *not least in Germany*, wonder whether the recent strong demand for D-Mark bonds was about to fizzle out.

But, in the event, Germany once again emerged as the lesser of two evils. Prices of Deutsche-Mark bonds started moving up again last Thursday. By Friday, the Bundesbank, which earlier in the week had been buying paper to support the domestic D-Mark bond market, was selling paper again (DM 130m on Friday alone), to meet investor demand.

This was all the more remarkable as the terms of the DM 1.6bn bond for the West German Government, announced last Friday, offered the investor a 7.57 per cent yield for 10 years, the lowest yield on such maturity paper in more than four months. This bond met with a warm reception.

In the foreign D-Mark sector, prices moved up with the domestic market. A DM 400m issue for the World Bank offered the investor a 7 per cent yield for six years, again the lowest in more than four months for paper of this maturity.

This was the second private placement in D-Marks for this borrower in less than 10 days. The earlier issue offered investors a yield of 7.21 per cent. It brings the new volume of D-Mark paper issued over the past three weeks to DM 1bn.

Unlike the D-Mark market, the Dutch guilder sector suffered no technical reaction at the beginning of the week. The Fl 800m government bond offered last week, which carries a coupon of 9 per cent with a split maturity of six and 15 years, was priced at 100½ because demand was so strong.

Prices of foreign guilder bonds moved up over the week, pushing down the yield such paper offers to the investor to around 8.25 per cent on five-year paper, a 75 basis points drop in 10 days.

Trading activity was fairly strong in the Swiss franc foreign bond market where a steady stream of borrowers continues.

Prices of recent issues have been steady but some seasoned issues posted gains of up to ½ point.

The only sector of the dollar bond market where trading volume remains large is that of the Floating Rate Note allocations for the $100m 3½-year issue for Citicorp, which is being arranged by Credit Suisse First Boston, were very tight. These notes, which bear quarterly interest at the average of the bid and offered rate for three month Eurodollar deposits, were quoted at 99¾-99⅞ by the lead manager last Friday.

Credit Commercial de France is expected to launch a 12-year $75m FRN for Williams and Glyn's Bank later this week. The borrower is expected to pay a coupon of ¼ per cent over the six-month Libor rate.

In the straight dollar sector, trading was reduced to a trickle. The $150m issue for Canada's Export Development Council met with a good response. It traded in the market at 98¾-99¼ at the end of the week.

The first Canadian dollar issue in more than two months was floated through Credit Suisse First Boston C$30m for Credit Foncier Franco-Canadien. The borrower is paying a coupon of 10½ per cent for five years. *The lead manager* said that this issue was meeting with better demand than initially expected, but Ross and Partners (Securities) was quoting the issue at a discount of 2½-1½ per cent.

The next issue to be *floated* in the Kuwaiti Dinar sector is expected to be a KD10m 15 year issue for a very good quality borrower, the Caisse Centrale de Cooperation Economique.

CURRENT INTERNATIONAL BOND ISSUES

Borrowers	Amount m.	Maturity	Av. life years	Coupon %	Price	Lead manager	Offer yield %
U.S. DOLLARS							
‡††§Canon Inc.	80	1994	—	6¾	100	Goldman Sachs	6.86
†Citicorp	100	1983	3½	—	100	Crédit Suisse First Boston	—
††Banco Latinoamericano	25	1984	5	6½°	100	Merrill Lynch Int.	6.61°
D-MARKS							
‡**World Bank	200	1987	8	7½	99¾	Deutsche Bank	7.31
§JNY	50	1985	—	6¾	100	Deutsche Bank	6.75
‡**Girozentrale Bk. Oest.	50	1984	5	6⅞	100	WestLB	6.875
‡**World Bank	400	1985	6	7	100	Deutsche Bank	7.0
SWISS FRANCS							
‡EIB	100	1994	n.a.	4½	99¾	Soditic	4.425
Shikoku Elec. Power	100	1989	n.a.	4¾	100	UBS	4.75
‡**Autopistas Vasco Aragonesa (g'teed 4 Spanish bks.)	45	1985	n.a.	5¼	100	Soditic	5.25
‡**Autopistas Vasco Aragonesa	15	1985	n.a.	5¾	100	Soditic	5.75
‡**S. African Oil Fund (g'teed S. Africa)	50	1984	n.a.	5½	100	Crédit Suisse	5.5
‡**§Sumitomo Forestry	30	1984	—	4¾	100	Crédit Suisse	4.75
Danish Mortgage Bank (g'teed Denmark)	80	1991	n.a.	4¾	99	Swiss Bank Corp.	4.86
CANADIAN DOLLARS							
Credit Foncier	30	1984	5	10½	100	Crédit Suisse First Boston, S. G. Warburg	10.375
YEN							
‡EIB	15bn	1989	9	7½	99½	Nomura	7.36
KUWAITI DINARS							
Caisse Cen. de Cooperation Econ. (g'teed France)	10	1994	9.4	8	*	KIIC	

* Not yet priced. ‡ Final terms. ** Placement. † Floating rate note. ° Minimum. § Convertible. †† Registered with U.S. Securities and Exchange Commission. ¶ Purchase fund. Note: Yields are calculated on AIBD basis.

U.S. MONEY MARKETS BY JOHN WYLES

The roll of Chrysler's distant thunder

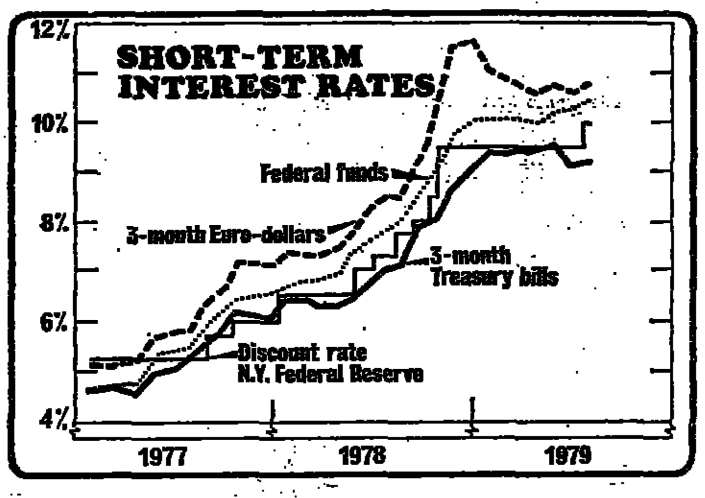
IN A WEEK of corporate news dominated by the troubles of Chrysler Corporation, the affair has been merely distant thunder for the U.S. money markets. A steep mid-week climb in commercial paper rates owed virtually nothing to the semi-exclusion from the market of Chrysler Financial Corporation while the steadily growing weakness of the long-term Government and corporate bonds was far more a product of immediate worries about inflation, the money supply and the outlook for interest rates.

Nevertheless, the steep run up in commercial paper rates clearly tempted some doomsday watchers to blame the phenomenon to market jitters over Chrysler. Thirty- to 60-day *finance company* commercial paper opened the week at 9.95 per cent and dealer placed at 10.05 per cent. By Wednesday finance company yields had climbed to 10⅛ per cent, and then eased to 10⅛ per cent by the end of the week. Lagging slightly, dealer paper was still 10.4 per cent at the close on Friday.

Even without the name Chrysler painted on a darkening sky, these developments would have been worthy of attention because the *commercial paper market is not* normally so volatile. Although the pace of the rate increases surprised participants the fact did not, since commercial paper yields have not recently kept pace with increases in other short term money market instruments. "This was a market phenomenon, not a Chrysler phenomenon," commented Mr. Pat Thackera of AG Becker, a major Wall Street presence in the commercial paper market.

But the Chrysler crisis has touched the market purely because of the fact that Chrysler Financial Corporation, the company's financing subsidiary, had the prime grade rating on its commercial paper taken away by one rating agency on July 31.

As a result the cost of funds for this supplier of finance to Chrysler dealers and their customers *has risen significantly* and forced the company to look elsewhere for its daily requirement of $200m to $300m.



Nevertheless, the spread between prime grade and ordinary commercial paper was at the end of the week only between ⅛ and ¼ per cent which compares with up to 1.75 per cent in 1974. Thus the weaker brethren in corporate America have suffered in this market far more severely in the past.

The bond market, meanwhile, began the week with some reserves of confidence left over from the previous five days when the Treasury's quarterly refinancing had been handled with greater ease and lower yields than anticipated.

But the confidence had largely been eroded by the middle of the week and the mood became pessimistic on Thursday with the news of a 13.2 per cent annual rate of increase in the consumer price index.

By the end of the week long-term Treasuries were off by between ⅜ and ⅝ and corporates by ⅛ to ⅞. Thus the Treasury's 8⅜ per cent bond of 2003 was down ⅜ to yield 8.87 and Ford Motor Company's 9.15 per cent debentures of 2004 were down ½ to yield 9.16 per cent.

The Federal Reserve Board's Open Market Committee meeting *tomorrow wwill be watched* with even more interest than usual because it will be the first under Mr. Paul Volcker, the Fed's new chairman. There were inconclusive signs on Friday that the Fed may already be moving its funds rate target from 10⅝ per cent towards 10¾ per cent.

JAPANESE FOREIGN BONDS BY RICHARD HANSON

Waning enthusiasm

JAPANESE companies appear to be *much less enthusiastic* about floating bonds overseas this autumn than they were earlier in the year as issuing terms have grown less favourable. Furthermore, those that have indicated interest are not in the top quality range, according to underwriters.

This underlines the special sensitivity of Japanese *borrowers to the coupon levels* they are required to pay. For most of the past two years, this factor has appeared to outweigh currency risk in the minds of Japanese corporate treasurers.

During the first two quarters of this year Japanese companies rushed into Deutsche-mark and Swiss franc issues in market-disrupting bunches. Taking advantage of the comparatively low cost of borrowing from January to March, there were 33 issues overseas for the equivalent of $1.01bn.

The move overseas peaked in the April to June period with 38 issues equivalent to $1.12bn, a record amount in both numbers and value.

Numbers aside, the Japanese *Ministry of Finance (MoF)* practice of approving issues on a quarterly basis helped destabilise the Swiss and German markets. The "secret" lists of approvals inevitably leaked to the Press and added to market confusion. The net result was that MoF officials began from July to issue approvals on a monthly basis.

In the July-September quarter again there are a fairly large number of issues planned, but they are concentrated in Swiss francs and dollars. Since Honda Motor withdrew plans to issue a DM bond earlier this year because of what it considered an excessively high coupon, there have only been three such issues, Fujitsu Facom, Seiyu Stores and Uni, a supermarket *chain which will sign an agree*ment this week. The 5¼ years DM 50m convertible issue is expected to carry a coupon of 6¾ per cent (or perhaps marginally lower), which compares with 5 per cent and 5¼ per cent for Fujitsu and Seiyu, respectively.

From July-September there are plans for 33 Swiss issues *totalling about SwFr 730m* and dollar issues of around $534m.

The applications for October issues must be submitted to MoF by August 20, but so far there have been indications that only five or six companies will try to issue. For the October to December quarter there has been speculation in the Japanese markets that there will be only 15 issues in total for about $520m.

The only top-ranked Japanese company interested in overseas issues from July-September is Tokyo Sanyo Electric, set for this month. In October the rankings are all medium-sized companies.

When the overseas issuing boom was on, companies were primarily paying attention to the lower interest rates to be obtained in Europe (currency considerations were virtually discounted). Switzerland continues to be an advantageous place to borrow, but it appears most of the first-class borrowers will now sit on the sidelines until the markets settle a bit more.

FT INTERNATIONAL BOND SERVICE

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Alcoa of Australia 10 89	60	98¼	98⅝	0	+0⅛	10.26
Alex Howden XW 9½ 91	30	83	85	+0¼	0	12.10
Australian Res. 9⅜ 84	30	98	98½	0	+0¼	10.09
Avco O/S Cap. 10¼ 87	40	96⅞	97⅜	0	+0⅛	10.80
Bayer Int. F. XW 7¼ 89	200	83⅜	83⅞	0	+0⅛	10.01
Beneficial Fin. 9⅞ 87	100	98	98½	0	0	10.08
CECA 9¾ 84-99	50	94⅛	94⅝	−0⅛	−0⅛	10.04
CECA 10⅜ 91	150	97⅜	98¼	−0⅛	0	11.05
Canadian Pacific 9⅜ 89	50	97⅞	98⅜	0	+0⅛	10.05
Carter Hawley 9⅜ 86	50	97⅛	97⅝	0	0	10.29
Comalco Inv. E. 10⅛ 91	40	99½	100	0	−0⅛	10.28
Continental Grp. 9⅝ 86	100	97⅝	98⅛	−0¼	+0⅛	10.06
Dome Petroleum 10 94	50	96⅛	96⅝	0	−0⅛	10.49
Dominion Bridge 10¼ 84	30	99⅞	100⅜	0	+0¼	10.20
Dow Chem. O/S 9⅝ 94	200	97⅜	97⅞	+0⅛	+0¼	9.93
EIB 9⅜ 86	150	99⅜	99⅞	−0⅛	+0⅛	9.94
EIB 9⅞ 99	100	100	100½	−0¼	+0⅛	10.09
EIB 9⅞ 87	150	100⅜	100⅞	−0¼	+0⅛	9.99
EIB 10 99	150	101	101½	−0¼	+0½	10.09
Export Dv. Cpn. 9.85 84	150	100⅜	100⅞	−0⅛	0	9.90
Export Dv. Cpn. 9⅜ 84	100	97⅛	97⅝	0	−0⅛	9.96
Finland 9½ 86	100	97½	98	−0⅛	+0⅛	9.96
Finland 9⅜ 89	100	98⅜	98⅞	−0⅛	+0⅛	10.08
GTE Finance 9½ 84	50	97⅞	98⅜	0	+0⅜	10.00
GTE Finance 9⅜ 89	55	95⅞	96⅜	0	0	10.39
General Motors 9¼ 86	100	97⅜	97⅞	0	−0⅛	9.73
Gould Int. Fin. 9⅜ 85	50	98	98½	0	+0⅛	10.15
Hoechst Fin. XW 6⅜ 89	125	79⅛	79⅝	0	+0⅛	10.12
Hudson Bay Co. 10 94	50	98⅞	99⅜	0	+0⅛	10.10
ITT Antilles 9½ 89	75	95⅞	96⅜	−0⅛	+0⅛	10.13
Kennecott Int. 9½ 86	100	95	95½	0	−0⅛	10.50
Manitoba 9½ 89	75	96⅝	97⅛	0	+0⅛	10.00
Nat. Des Telecm. 9½ 86	100	97⅞	98⅜	−0⅛	+0⅛	9.88
New Brunswick 9⅜ 94	75	96¼	96¾	0	+0⅛	10.21
Newfoundland 10 94	50	98¾	99¼	0	+0⅛	10.12
Norsk Hydro 9⅛ 94	50	94⅜	95⅛	0	+0⅛	9.92
Norway 9⅜ 84	150	100¼	100¾	−0⅛	0	9.84
Norway 9½ 84	150	98⅜	98⅞	0	+0⅛	9.85
Nova Scotia Pwr. 9⅜ 89	50	97⅜	97⅞	0	+0⅛	10.13
Occidental Fin. 10¼ 84	50	99½	100	−0⅛	+0⅛	10.30
Orient Leasing 9½ 86	25	95½	96	0	−0⅛	10.38
Pennwalt O/S F. 9⅜ 84	25	98⅜	98⅞	−0⅛	+0⅛	10.14
Pepsico Cap. 9¼ 84	100	98	98½	0	+0⅛	9.71
Portland 10 84	60	97⅝	98⅛	0	+0⅛	10.58
Quebec Hydro 10 99	75	95⅝	96⅛	−0⅛	+0⅜	10.49
Redland Fin. XW 9½ 91	25	90½	91¼	+0⅝	−0⅛	10.91
Sears Roebuck 9 82	150	98	98½	−0⅛	+0⅛	9.77
Statoil 9⅜ 89	100	97¼	97¾	+0¼	+0⅛	10.03
Stockholm 9⅜ 94	60	99⅜	99⅞	−0⅛	+0¼	10.04
Sweden 9⅜ 89	100	98¼	98¾	0	0	9.98
Sweden 9½ 86	200	99¼	99¾	−0⅛	+0⅛	9.83
Unilever NV 9¼ 87	100	96⅜	96⅞	0	+0⅛	9.88
Warner-Lambert 9 84	100	97	97½	0	+0⅛	9.72

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 6½ 88	150	90⅝	91⅛	0	+0⅛	7.92
Argentina 7½ 89	150	95¾	96¼	+0⅛	−0⅛	8.10
Banco Desarrollo 7¼ 86	100	94¾	95¼	−0⅛	−0⅝	8.25
Barclays O'seas 6¾ 89	100	98⅜	98⅞	+0½	+0½	6.94
Brazil 7¼ 87	150	97¼	97¾	+0⅝	−0⅛	7.69
Brazil 8 87	150	101¼	101¾	+0¼	−0⅝	7.76
CECA 7 91	150	98½	99	+0¼	0	7.15
Copenhagen City 6 90	75	91	91½	−0⅛	−0⅛	7.16
Council of Eur. 7¼ 89	100	99⅜	99⅞	+0⅛	−0½	7.30
Denmark 5¾ 85	100	94⅝	95⅛	+0⅛	−0¼	6.89
Denmark 6½ 89	100	94¾	95¼	+0⅛	−0½	7.24
EIB 6½ 91	200	94¾	95¼	+0½	0	7.15
EIB 7½ 89	200	101¼	101¾	0	−0⅛	7.27
Eletrobras-Brazil 7 87	100	97	97½	+0¼	+0⅛	7.48
Eurofima 6½ 89	100	98⅝	99⅛	−0⅛	−0⅛	6.66
Finland 6 83	150	99⅜	99⅞	0	−0⅛	6.09
Megal Fin. 7 89	150	98½	99	+0⅛	+0⅛	7.18
Mitsubishi Chem. 6½ 84	70	100⅞	101⅜	0	−0⅛	6.21
New Zealand 6¼ 87	200	99⅛	99⅝	0	−1⅛	6.35
Nippon Kokan 6½ 84	100	99	99½	+0⅛	−0⅛	6.68
Nippon Tel. & T. 5½ 87	100	93½	93⅞	+0⅛	−0⅞	6.65
Nordic Inv. Bk. 6¼ 86	60	96⅛	96⅝	+0⅛	−0⅛	6.96
Norges Komm. 7¾ 91	150	104¼	104¾	+0⅛	−0⅛	7.19
Norway 6¼ 84	200	100⅝	101⅛	+0⅛	−0⅞	6.02
Occidental 6¾ 90	150	94⅜	94⅞	+0⅛	−0⅛	7.46
OKB 6½ 88	100	97	97½	0	−0⅛	6.90
OKB 6 87	40	94	94½	0	−0⅜	7.01
Tokyo Elec. Pwr. 6½ 85	200	98⅝	99⅛	+0⅛	−0⅝	6.73
Venezuela 6½ 90	150	90	90½	0	−0⅛	7.83
World Bank 6¾ 88	400	93⅞	94⅜	+0⅛	−0⅞	7.13
World Bank 7¾ 91	400	102	102½	+0⅛	−1⅛	7.45

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 5½ 89	80	91⅞	92⅛	+0⅝	−4⅛	6.62
Asian Dev. Bank 3½ 94	100	85	85¼	−0¼	−0¼	4.98
Aumar 5 89	60	101¾	102	−0⅛	−0⅝	4.76
Austria 3½ 93	100	90⅛	90⅜	−0⅛	−0⅝	4.43
Australia 3⅝ 89	250	95⅝	95⅞	+0⅛	+0⅛	4.17
Bergen, City of 4¾ 91	40	102¼	102½	0	+0⅛	4.49
Brazil 4⅛ 88	100	95¼	95½	−0⅛	+0¼	4.88
Canada 3⅝ 89	300	96⅜	96⅝	+0⅝	+0⅝	4.07
Council of Eur. 4⅛ 90	100	101⅜	101⅝	−0⅛	+0⅛	4.08
EIB 4½ 91	100	100	100¼	−0½	−0¼	4.49
Heron 4¼ 89	35	95⅝	95⅞	0	−0⅛	4.84
ICI Fin. NV 3½ 94	230	89	89¼	−0¼	0	4.53
Malaysia 4⅜ 90	80	96½	96⅝	+0¼	0	5.15
New Zealand 3½ 94	120	89½	89⅜	−0⅛	−1	4.49
Nordic Bank 5 89	45	102¾	103	0	+0⅞	4.63
OKB 3¾ 91	100	91⅛	91⅜	−0⅛	+0⅛	4.74
Pfand Ost. Lands 4 90	80	94⅞	95⅛	0	+0⅛	4.60
Philippines 4¾ 89	50	96⅝	96⅞	−0⅛	+0⅛	5.18
Sandvik 4 90	85	96⅜	96½	−0⅛	+0½	4.41
Spain 4 91	100	94¼	94½	+0⅛	+0¼	4.64
Steweag 4¾ 91	60	102¼	102½	0	+0⅛	4.49
Voest-Alpine 4¾ 89	90	102⅞	103⅛	0	+0⅛	4.37
World Bank 4⅜ 89	100	103	103¼	−0⅛	−0⅛	4.23

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 5⅜ 88	15	86⅞	87⅜	+0⅛	0	7.85
Australia 5.6 83	30	94¾	95¼	−0⅛	+0⅛	7.01
Australia 6½ 88	20	90⅞	91⅜	0	+0⅞	8.01
Finland 5.6 83	10	93¾	94¼	0	0	7.48
Finland 6.8 88	10	90½	91½	0	−0⅛	8.36

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Nordic I. Bk. 9 84 SDR	20	96½	97¼	0	+0⅛	9.86
Avco Fin. 10¼ 86 C$	25	95⅝	96⅝	0	+0⅛	11.10
Ex. Dev. Cpn. 10 84 C$	50	96⅜	96⅞	0	−0⅛	10.36
Fst. Can. Inv. 10 84 C$	50	97	97⅜	0	−0⅛	10.74
Hudson Bay 10½ 89 C$	60	99	99⅝	0	+0⅛	10.61
Quebec 10⅛ 86 C$	50	96⅜	96⅞	−0⅛	−0⅛	10.96
R. Bk. Canada 10 86 C$	40	98⅞	99⅛	−0½	−0⅛	10.17
R. Bk. Canada 10 84 C$	40	95	95½	−0⅛	−0⅛	10.64
Copenhagen 8⅛ 91 EUA	25	98	99	0	−0⅛	8.45
Komm. Inst. 7½ 93 EUA	15	93⅜	94⅜	0	−0⅛	8.20
SDR France 8½ 94 EUA	24	98⅜	98⅝	0	+0⅛	8.65
SOFTE 8¾ 89 EUA	40	95⅝	96⅛	0	−0½	8.91
Algemene Bk. 6¾ 83 Fl	75	92⅛	93	+0⅛	+0⅛	8.61
CFE Mexico 7¾ 83 Fl	75	96⅜	97⅜	−0⅛	+0⅝	8.75
EIB 7¾ 85 Fl	75	93⅜	94⅜	+0⅛	+0⅞	8.59
Ned. Middbk. 8½ 84 Fl	75	100	100⅜	−0⅛	+0½	8.13
New Zealand 6¾ 84 Fl	75	92⅜	93½	+0⅛	+0⅞	8.52
Norway 8¾ 84 Fl	100	99⅜	100⅜	0	+1	8.23
Elf Aquitaine 9⅜ 88 FFr	150	91	91⅜	−0⅛	−0⅛	11.27
Euratom 9⅜ 87 FFr	150	91⅞	92⅜	−0⅛	−0⅛	11.28
Norway 9¾ 84 FFr	200	93⅜	94⅜	0	0	11.04
PSA Peugeot 9⅝ 87 FFr	175	91	91½	−0⅛	−0⅛	11.53
Renault 9⅜ 85 FFr	100	93⅜	93⅞	−0⅛	−0⅛	11.31
Saint-Gobain 9⅜ 86 FFr	130	91½	92⅛	−0⅛	0	11.56
Solvay et Cie 9⅜ 87 FFr	125	91½	92	−0⅛	−0⅛	11.42
Total Oil 9⅜ 87 FFr	150	89⅞	90⅜	−0⅛	−0⅛	11.41
Citicorp 10 93 £	20	91	91½	−0⅛	−1⅛	11.27
EIB 9⅜ 88 £	25	90⅜	91⅜	0	0	11.46
EIB 11½ 91 £	25	95⅛	95⅝	+0½	+0⅛	12.25
Finance for Ind. 13 91 £	15	102⅜	103⅛	+0⅛	+0⅛	12.44
Fin. for Ind. 12½ 89 £	30	102⅝	103½	+0⅛	+0⅛	12.49
Gen. Elec. Co. 12½ 89 £	50	100⅞	101⅛	+0⅛	+0⅛	12.26
Indonesia 8¾ 91 KD	7	†97⅞	98⅞	0	−0⅛	9.01
Mitsubishi 7½ 84 KD	10	†97⅞	98⅜	0	0	8.03
Norges Kom. 7½ 89 KD	12	†96⅜	97⅜	0	0	7.96
Occidental 8¾ 91 KD	7	†98½	96⅜	0	−0⅛	8.75
Euratom 8 87 LuxFr	500	96⅜	97⅜	0	+0⅛	8.66
Norges Km. 8 86 LuxFr	500	95⅝	96⅝	0	−0⅛	8.72
Oslo, City of 8 89 LuxFr	500	96⅜	97⅜	0	−0⅛	8.42
Solvay Fin. 8 85 LuxFr	500	96	97	0	+0⅛	8.74

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
BFG Fin. Co. 5½ 89	0¼	98½	99	11/1	11	11.14
BNDE 6 89	0⅝	96⅞	97¼	21/9	11⅛	11.48
Banco di Roma 6 87	0¼	98½	99	26/10	11.19	11.33
Bco. Nac. Argent. 7 86	0¼	97¼	98	22/9	11½	11.76
Banco Prov. BA 7¼ 86	0¼	98¾	99¼	12/6	11	11.14
Banco Urquijo 6 86	0¼	97⅞	98¼	21/9	11½	11.72
Bank of Tokyo 5½ 93	0¼	99	99½	18/10	11⅜	11.84
Bq. Ext. d'Alg. 7½ 85	0¼	95⅛	95⅝	2/11	11⅞	12.42
Bque. Indo Suez 5¼ 89	0¼	98½	99	11/1	11	11.14
Banque Sudameris 6 87	0¼	97⅛	97⅝	11/1	11⅛	11.42
BNP 5½ 91	0¼	98⅞	99⅛	22/2	11⅜	11.48
Citicorp O/S Fin. 6 94	‡0¼	99⅜	100⅛	8/9	10.69	10.70
Creditanstalt 5½ 91	‡0¼	98⅜	99	14/8	10⅞	11.01
GZB 5½ 89	‡0¼	98⅝	99⅛	1/11	11.44	11.57
Gotabanken 6 88	0⅝	98⅞	99⅜	15/5	11½	11.63
Ind. Bk. Japan 5½ 85	0¼	99⅞	100⅜	1/12	10.94	10.95
Jugobanka 8 89	0¼	95⅝	96⅛	23/11	11⅞	12.37
LTCB Japan 5¼ 85	0¼	99⅞	100⅜	9/10	11⅜	11.64
LTCB Japan 5½ 89	0¼	99	99½	7/12	11⅛	11.21
Mfrs. Han. O/S 5¼ 94	‡0¼	99⅛	99⅝	23/8	11.18	11.28
Nacional Fin. 6¼ 86	0¼	98⅜	99⅛	25/1	11½	11.68
Nat. West. 5¼ 94	0¼	98⅜	98⅞	11/10	11	11.18
Nippon Credit Bk. 5½ 85	0¼	99½	100	22/12	10.94	10.98
Nippon Credit Bk. 6¼ 86	0¼	98⅛	98⅝	12/1	10⅞	11.05
Petro Mexicano 7 84	0⅝	98⅜	99⅛	24/1	11.44	11.49
Privredna Banka 8 86	0⅝	95⅛	96⅜	20/12	11.68	12.08
Royal Bank Scot. 5¼ 94	‡0¼	98⅜	99⅛	11/10	11	11.13
Sogenal 5⅜ 89	0¼	98	98½	11/1	10.94	11.13
Texas Int. Airways 7 86	‡0¼	96⅜	97⅛	11/10	11.56	11.94
TVO Pwr. 9 91 (D-lock)	0⅛	97⅜	98⅛	24/11	11⅛	11.35
Utd. Overseas Bk. 6 89	‡0¼	97⅜	98⅛	28/9	11.74	11.38
Bq. E. d'Alg. 4¾ 89 SF	0⅝	97⅜	97⅞	18/12	4⅜	4.36

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
AGA Akt'bolag 7¼ 89	10/79	174	95½	96	+0⅛	−7.84
Ciba-Geigy O/S F. 4 94	9/79	675	96⅞	96⅝	+0⅛	2.25
Credit Suisse 4¾ 93	10/79	1325	106⅞	107⅞	+0⅛	−4.34
Esselte 7⅜ 89	9/79	159	98⅜	99⅞	0	−7.38
Honda Motor 5½ 89	6/79	532	100½	101⅛	+1⅛	4.91
LPC Internatnl. 8 89	9/79	35	99½	100	−2⅛	20.24
Nitto Elec. Ind. 6 94	7/79	735	83⅞	84⅞	+1⅛	1.34
Fujitsu 5 84 DM	7/79	475	101⅜	102⅛	−0⅛	16.77
Kansai Elec. 4 84 DM	4/79	1350	88⅝	89⅝	0	49.15
Marudai Food 3½ 86 DM	2/79	1033	83⅛	83⅞	+1	46.22
Nippon Ysn. 3½ 85 DM	1/79	251	114¼	115	+0⅛	−1.64
Nissan Dies. 3½ 86 DM	2/79	477	85⅛	86⅝	0	22.66
Olymp. Opt. 3½ 85 DM	2/79	703	94⅞	96⅜	+0⅛	2.33
Sharp Cpn. 3½ 88 DM	2/79	487	83⅞	89⅞	0	9.96
Tokyo Elec. 3½ 87 DM	4/79	478	92⅛	93	+0⅛	46.88
Tokyu Ld. Cp. 4 86 DM	4/79	483	83⅜	84⅛	0	28.09

BONDTRADE INDEX AND YIELD

	Medium term		Long term	
Aug. 10	n.a.		n.a.	
Aug. 3	94.78	8.83	88.33	9.60
High '79	95.75	(1/2)	89.99	(30/1)
Low '79	94.40	(11/1)	88.33	(1/8)

EUROBOND TURNOVER
(nominal value in $m)

	Cedel	Euroclear
U.S. $ bonds		
Last week	806.2	1,345.0
Previous week	970.6	2,082.5
Other bonds		
Last week	345.3	320.7
Previous week	438.3	385.4

* No information available—previous day's price.

† Only one market maker supplied a price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

CONVERTIBLE BONDS: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Arab Company for Trading Securities SAK; Kredietbank NV; Credit Commercial de France; Credit Lyonnais; E. F. Hutton Services SARL; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Internationale Luxembourg; Krediet Bank Luxembourg; Algemene Bank Nederland NV; Pierson, Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzerland; Akroyd and Smithers; Bankers Trust International; Bondtrade; Banque Francaise de Credit International; Citicorp International Bank; Daiwa Europe NV; Deltec Trading Company; Dillon, Read Overseas Corporation; EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Kidder Peabody International; Merrill Lynch; Morgan Stanley International; Nesbitt Thomson; Salomon Brothers International; Samuel Montagu and Co.; Scandinavian Bank; Strauss Turnbull and Co.; Sumitomo Finance International; S. G. Warburg and Co.; Wood Gundy.

Closing prices on August 10

هكذا من الأجل

هكذا من الأصل

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Gilt Int. Tst.	107.8	113.5	−0.3	3.13
Abbey Capital	37.5	39.9	.....	4.52
Abbey Income	43.8	46.6	−0.1	6.52
Abbey Inv. Tst. Fd.	36.5	38.8	.....	5.84
Abbey Gen. Tst.	50.1	53.3	.....	4.57
Equitas Prog. Tst.	68.9	72.7	−0.1	4.66

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314

AHR Gilt & Pref.	96.7	101.7	.....	12.05

Allied Hambro Group (a)(g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds

Allied 1st	73.2	78.3	.....	5.91
Brit. Inds. Fund	69.9	74.8	−0.1	5.43
Grth. & Inc.	40.5	43.3	.....	5.08
Elect. & Ind. Dev.	37.9	40.4	−0.1	4.59
Allied Capital	75.5	80.8	.....	4.95
Hambro Fund	116.4	125.1	−0.1	5.65
Hambro Acc. Fd.	137.4	147.0	−0.1	4.56

Income Funds

High Yield Fd.	71.8	76.8	−0.2	8.91
High Income	70.6	75.3	−0.1	7.37
A. H. Eq. Inc.	40.6	43.4	−0.1	7.47

International Funds

International	25.2	27.0	.....	2.97
Pacific Fund	35.6	38.1	+0.1	2.34
Secs. Of America	55.9	59.8	.....	2.11

Specialist Funds

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Uts.	48.6	51.9	.....	4.71
Do. Accum.	65.0	69.5	−0.1	4.71

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital Aug. 2	102.6	102.8	.....	4.66
Gross Inc. Aug. 2	73.8	76.2	.....	10.24
High Yield Aug. 2	86.7	89.2	.....	9.59

*Unauth. Restricted to estates under Court control.

G.T. Unit Managers Ltd.♥
16 Finsbury Circus, EC2M 7DD 01-628 8131

G.T. Cap. Inc.	103.6	110.2	+1.5	3.80
Do. Acc.	124.6	132.8	+1.9	3.80
G.T. Inc. Fd. Un.	172.6	183.6	+3.1	8.20
G.T. U.S. & Gen.	133.1	141.5	.....	2.90
G.T. Japan & Gen.	78.1	82.6	+0.6	2.30
♦Gt. Pens. Ex. Fd.	209.4	219.0	.....	5.00
G.T. Int'l. Fund	148.9	158.3	+4.3	2.00
G.T. Four Yds. Fd.	53.4	56.8	.....	7.90
G.T. Far East & Gen.	43.9	47.2	+0.7	3.40

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood. (0277) 227300

G. & A.	35.6	38.0	.....	5.08

Gartmore Fund Managers♥ (a)(g)
2 St. Mary Axe, EC3A 8BP 01-623 6114
Dealing only: 01-623 5766/5806

INSURANCE AND PROPERTY BONDS

OFFSHORE AND OVERSEAS FUNDS

Alexander Fund
37, rue Notre-Dame, Luxembourg.

Alexander Fund	$US8.23	.....	—

Net asset value August 8.

Allen Harvey & Ross Inv. Mgt. (C.I.)
1 Charing Cross, St. Helier, Jsy., C.I. 0534-73741

AHR Gilt Edg. Fd.	£12.24	12.32	.....	11.76

Arbuthnot Securities (C.I.) Limited
P.O. Box 284, St. Helier, Jersey. 0534 76077

Cap. Tst. (Jersey)	124.0	128.0	.....	7.81

Next dealing August 20.

Gov't Secs. Tst.	88.5	92.0	.....	13.86

Next dealing date August 13.

East & Intl. Tst. (C.I.)	104	111	.....	3.38

Next dealing date Aug. 23.

Australian Selection Fund NV
Market Opportunities, c/o Irish Young & Outhwaite, 127 Kent St., Sydney

US$1 Shares	$US1.48	.....	—

Net asset value November 24.

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G.D.

Wldinvest Income	US$109.93	110.49	+0.05	8.37

Prices at August 9. Next sub. day August 15.

Banque Bruxelles Lambert
2, Rue De la Regence B 1000 Brussels

Renta Fund	US$59.89	61.74	+0.12	8.15

Barbican Managers (Jersey) Ltd.

Keyser Ullmann Ltd.
25, Milk Street, EC2V 8JE. 01-606 7070

Fonselex	Fr1,347	1,481	.....	2.40
Bondselex	Fr117.85	123.80	.....	2.40
Central Assets	R149.12	149.18	+0.02	—

King & Shaxson Mngrs.
1, Charing Cross, St. Helier, Jersey. (0534) 73741
Valley Hse., St. Peter Port, Grnsy. (0481) 24706
1 Thomas Street, Douglas, I.O.M. (0624) 4856

Gilt Fund (Jersey)	9.52	9.56	.....	11.50
Gilt Trust (I.o.M.)	105.3	108.4	.....	11.50
Gilt Fnd. Guernsey	10.04	10.06	.....	11.50

Intl. Govt. Secs. Tst.

First Sterling	£21.47	21.28	.....	—
First Intl.	$US235.40	236.64	.....	—

Kleinwort Benson Limited
20, Fenchurch St., EC3. 01-623 8000

Eurinvest	LF1131		+2	3.24
Guernsey Inc.	65.4	69.5	.....	4.82
Do. Accum.	83.2	88.3	.....	4.82
KB Far East Fd.	US$13.27		.....	2.26
KB Gilt Fund	£10.97	10.97	.....	12.00
KB Int. Bd. Fd. Inc.	102.71		.....	8.20
KB Int. Bd. Fd. Acc.	108.23		.....	.....
KB Intl. Fund	$US12.87		.....	2.18
KB Japan Fund	$US31.01		.....	0.96
K.B. U.S. Gwth. Fd.	$US14.60		.....	1.44
Signet Bermuda	US$5.40		.....	1.85

Lloyds Bk. (C.I.) U/T Mgrs.
P.O. Box 195, St. Hellier, Jersey. 0534 27561

Lloyds Tst. O'seas	51.0	53.6	.....	3.10

Next dealing August 15.

NOTES

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Five to Fifteen Years

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

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LOANS

Public Board and Ind.

Financial

15M	15N	Do. 14pc '79	101	9.4	14.24	—
20J	20D	Do. 14pc '83	103¾	20.11	13.50	12.82
31 Mr	30 S	ICFC 5½pc Deb. '80-82	85½	12.2	6.62	12.00
31My	30N	Do. 6¼pc Db. '81-84	78½	23.4	8.13	12.40
11J	11J	Do. 10½pc Uns.Ln. '86	92	4.6	11.56	12.60
11J	11J	Do. 11pc Uns.Ln. '88	94	4.6	11.86	12.20
11J	11J	Do. 11¾pc Uns.Ln. '90	96½	4.6	12.35	12.60
30 Je	31 D	Do. 7¼pcADeb. '89-92	66½	4.6	11.18	12.90
31Mr	30S	Do. 7¼pcA Db. '91-94	66½	12.2	11.43	12.80
31Mr30S		Do. 9pc 'A' '91-94	79	12.2	11.95	12.70
28F	31A	Do. 8⅞pc Ln. '92-97	72½xd	16.7	12.24	12.70
—		Do. 12½pc. Uns. Ln. 1992	102	—	12.77	12.90

FOREIGN BONDS & RAILS

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

S.E. List Premium 10⅞% (based on US$2.2542 per £)
Conversion factor 0.9037 (0.9122)

CANADIANS

S.E. List Premium 10⅞% (based on $2.6423 per £)

BANKS AND HIRE PURCHASE

May		Com'zbk DM 10&	£10¼	577	Q26.6%	—	6.6	—
March		C'hgn.Hbk.Kr100	£10¼	7.3	Q12%	—	11.1	—
July	Oct.	Corinthian 10p	35	8.5	1.05	5.9	4.3	4.0
May		Cred. France F75	£17½	577	Q9.87%	—	3.7	—
Jan.	Apr.	Dawes (G. R.)	12	18.10	—	—	—	—
—		Dansche Bank DM50	£67½	21.5	Q28.12%	—	5.1	—
—		F. C. Finance	63	23.4	2.2	4.9	5.0	5.8
—		First Nat. 10p	6	974	—	—	—	0.4
—		Do. Wrrts. 75-83	2½	—	—	—	—	—
June	Dec.	Gerrard Natnl.	258	8.5	9.12	—	5.0	—
May	Nov.	Gibbs (A.)	52	8.5	2.2	—	6.0	—
Mar.	Aug.	Gillett Bros. £1.	224xd	30.7	†16.95	—	10.8	—

BANKS & HP—Continued

Hire Purchase, etc.

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PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY
Telex: Editorial 886341/2, 883897. Advertisements: 885033. Telegrams: Finantimo, London.
Telephone: 01-248 8000.
Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1.
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AUSTRALIAN

Dividends Paid		Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
—		Acmex	12	—	—	—	—
—		ACM 20c	9	—	—	—	—
Nov.	Apr.	Bougainville 50 Toea	119	14.5	Q15c	1.0	6.4
—		BH South 50c	105	9.74	—	—	—
—		Central Pacific	750	—	—	—	—
Oct.	May	Conzinc Riotinto 50c	196	14.5	NQ10c	2.0	2.6
—		Cultus Pacific N.L.	18	—	—	—	—
—		Eagle Corp. 10c	9½	—	—	—	—
—		Endeavour 20c	14	—	—	—	—
—		G.M. Kalgoorlie $1	64	0.67	Z0.3c	—	1.8
—		Haoma Gold N.L.	29	—	—	—	—

TINS

COPPER

MISCELLANEOUS

GOLDS EX-$ PREMIUM

NOTES

Figures assumed. Z Dividend total to date. ¶¶ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

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The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	26	......	Sindall (Wm.)	165	......
Bertam	22	−1	IRISH		
Bdg'wtr. Est. 50p	405	......	Conv. 9% '80/82	£86	......
Clover Croft	22	......	Nat. 9¾% 84/89	£71¼	+⅛
Craig & Rose £1	£11½	......	Fin. 13% 97/02	£85⅞	+¼
Dyson (R. A.) A	36	......	Alliance Gas	65	......
Ellis & McHdy	180	......	Arnott	345	......
Fife Forge	54	......	Carroll (P.J.)	105	......
Finlay Pkg. 5p	19½	......	Clondalkin	79	......
Greig Ship. £1	315	......	Concrete Prods.	87	......
Higsons Brew	75	......	Heiton (Hldgs.)	77	+1
Holt (Jos) 25p	260	......	Ins. Corp.	200	......
I.O.M. Sum. £1	155	......	Irish Ropes	70	......
Pearce (C. H.)	265	......	Jacob	40	......
Peel Mills	30	......	T.M.G.	165	......
Sheff. Refrshmt	105	......	Unidare	61	......

OPTIONS

3-month Call Rates

Industrials		I.C.I.	24	Tube Invest.	30
A. Brew	9	"Imps"	8	Unilever	55
BOC Intl.	6	I.C.L.	55	U.D.T.	5
B.S.R.	7	Inveresk	7	Utd. Drapery	10
Babcock	18	KCA	5	Vickers	18
Barclays Bank	32	Ladbroke	22	Woolworths	7½
Beecham	52	Legal & Gen.	14		
Blue Circle	18	Lex Service	11	**Property**	
Boots	18	Lloyds Bank	25	Brit. Land	7½
Bowaters	18	"Lots"	5	Cap. Counties	9
B.A.T.	23	London Brick	7	Land Secs.	25
Brown (J.)	50	Lonrho	8	MEPC	17
Burton 'A'	26	Lucas Inds.	25	Peachey	12
Cadburys	7	"Mams"	18	Samuel Props.	14
Courtaulds	10	Mrks. & Spncr	11	Town & City	2¼
Debenhams	8	Midland Bank	30		
Distillers	21	N.E.I.	14	**Oils**	
Dunlop	6½	Nat. West. Bank	28	Brit. Petroleum	100
Eagle Star	14	Do. Warrants	15	Burmah Oil	13
E.M.I.	12	P & O Dfd	10	Charterhall	5
Gen. Accident	21	Plessey	10	Premier	5
Gen. Electric	35	R H M	5	Shell	25
Glaxo	50	Rank Org.	25	Ultramar	25
Grand Met	14	Reed Intnl.	15		
G.U.S. 'A'	30	Sears	5½	**Mines**	
Guardian	24	Spillers	4½		
G.K.N.	28	Tesco	7	Charter Cons.	16
Hawker Sidd	26	Thorn	35	Cons. Gold	20
House of Fraser	18	Trust Houses	17	Rio T. Zinc	27

FINANCIAL TIMES
Monday August 13 1979

CBI warns unions on pay

BY CHRISTIAN TYLER, LABOUR EDITOR

TRADE UNIONS will have to accept pay increases well below the rise in prices over the last 12 months if they are to avoid serious loss of jobs and maintain their members' living standards, the Confederation of British Industry said yesterday.

The CBI is seriously worried by business prospects for the next year. It is hoping that the Government's new take-home pay index will help divert attention from the 15 per cent-plus inflation rate expected to emerge from official statistics this week, and will encourage union negotiators to stop using the Retail Prices Index as a prime bargaining counter.

Guidelines issued to employer yesterday suggest that the standard of living of the average married wage earner with two children will have fallen only 7.5 per cent since last August because of the income tax cuts and increase in child benefits.

Assuming a 16 per cent rate of inflation for the end of the third quarter, the CBI has calculated that the fall in real net family income will range from 5.8 per cent for the family man on £2,500 a year to 9 per cent for the man on £10,000 a year.

Yesterday it called on the unions to make the same kind of sacrifice as they had under the social contract with Labour in 1975. This had reduced inflation from 25 per cent in 1975 to 7½ per cent in 1978.

Challenge

But the unions are in no mood to repeat that gesture with a Conservative Government in power, if only because many were disillusioned by the lack of investment that followed the social contract period.

They are already preparing to challenge both the arithmetic of the Government's new index and the Government's entire financial policy towards the private and public sectors.

At a meeting last week of the TUC economic committee, union leaders refused to accept that wages should again be held up as the only variable in the policy equation.

They accused the Government of stoking up inflation by its Budget measures and of depressing the economy by cuts in the Public Sector Borrowing Requirement.

They predicted a financial crisis and a spate of bankruptcies that would force the Government into a policy U-turn within months. The Government would not be allowed by Congress to place the responsibility for its policies on the trade unions.

The CBI said yesterday that business would be sluggish over the next year, reducing companies' ability to pay, and that unemployment was likely to worsen, "possibly quite sharply."

The TUC, apparently using figures from the Manpower Services Commission, predicts unemployment of over 2m by early next year.

The CBI said international competitiveness had worsened alarmingly. Labour costs had risen faster than export prices over the year and margins were being squeezed.

There had been a big shift from profits to pay over the past 10 years, and there was nothing now left to be squeezed out of profits to pay higher wages.

Admission

● TUC General Secretary Mr. Len Murray yesterday accused the Government of "bigotry," and said their first 100 days in office were "well on the way to fulfilling my worst expectations."

On the same World This Weekend radio programme, Mr. William Whitelaw, Home Secretary, admitted that the Government had so far failed to get across the seriousness of Britain's economic problems.

He heard Mr. Murray warn that pay claims of up to 40 per cent could be made this winter.

Single nuclear waste inquiry urged

BY DAVID FISHLOCK, SCIENCE EDITOR

GOVERNMENT PLANS to expand its geological research programme into a nationwide hunt for sites to bury radioactive waste have posed problems for the groups opposed to nuclear power.

They fear they will not have the resources to contest all 11 new areas for boreholes announced by the Environment Secretary last month as well as Department of Energy plans for two new demonstration reactors.

Their vigorous opposition to the four earlier locations selected for drilling helped secure the rejection of three of the four requests for planning permission.

The Town and Country Planning Association, one of the main opposition groups at the Windscale public inquiry in 1977, has proposed a single inquiry into those three areas and all 11 new areas. In a letter to Mr. George Younger, the Scottish Secretary, released today, the Association urges a broadening of the impending public local inquiry into the application to drill in the Galloway Hills.

This inquiry follows the rejection last year of the UK Atomic Energy Authority's request for planning permission to search for suitable rock structures in which nuclear waste might eventually be buried.

Mr. David Hall, director of the association, has asked Mr. Younger to broaden the inquiry "to ensure that the many national and even international aspects of the proposal are rigorously examined."

This would include the possibility of a British repository being used to store EEC nuclear waste, since the UK drilling programme is part of a larger EEC effort.

In the association's view, a succession of local inquiries would be a considerable waste of public resources, "not to mention the many environmental organisations which would wish to participate if a separate inquiry is held into each of the refused applications."

Mr. Hall asks for the inquiry to be conducted by a committee, including one or two people "representing a lay point of view."

Complaint

The Government's proposal to drill in 11 new areas, in addition to four already earmarked by the Institute of Geologists, followed a complaint from one of its advisers on nuclear waste, who said he would be unable to do his job unless the drilling programme went ahead.

Sir Denys Wilkinson, chairman of the Advisory Committee on Radioactive Waste Management, said local objections to drilling at three of the first four sites had been based on fundamental misunderstandings of the purpose and nature of the work.

His committee was set up last year, in response to the advice of the Flowers Report on Nuclear Power. This suggested that Britain was not putting a big enough research effort into the problem of radioactive waste disposal.

In announcing the 11 new areas last month, the Government said it was exploring two other possible methods for long-term disposal: on, or beneath the seabed.

Mr. Michael Heseltine, Environment Secretary, said his aim was to demonstrate one or more methods during the 1990s, and to have a disposal facility in operation early next century.

New bid to stop gas complex

BY RAY PERMAN, SCOTTISH CORRESPONDENT

OBJECTORS to Shell and Esso's plan to build a £500m gas processing complex at Mossmorran, Fife, are to take legal action to try to overturn the planning consent given by the Government on Friday.

Mr. Dick Mehta, one of the group that has been fighting the project for three years, said yesterday it would be seeking senior counsel's opinion on how best to challenge the ruling by Mr. George Younger, Scottish Secretary.

"It is obvious to most people that while the Secretary of State says he has carefully considered the new evidence we have put to him since the public inquiry, this is not reflected in his decision," said Mr. Mehta.

Last year the group obtained an interdict (injunction) from the High Court in Edinburgh to force the Government to study evidence produced by the protestors of explosion risks.

It included a report from consultants J. H. Burgoyne and Partners, which indicated a high possibility of an explosion from the plant, and a survey by the U.S. General Accounting Office, which concluded that gas liquids should be processed well away from areas of population.

Shell and Esso want to build a natural gas liquids separation plant to treat gases from the Brent Field.

Esso Chemicals confirmed yesterday that it wants to go ahead with the construction of an ethane cracker alongside the separation plant to produce 500,000 tonnes of ethylene a year.

Mr. Jay Dalgetty, a director of the company said: "We can now begin the detailed process of design work, which will involve committing up to 100 engineers and other specialist people to the project.

"Our decision to proceed has been made in principle, although it is based on an assumption of satisfactory resolution of many detailed issues with the Government and the planning authorities. For instance, receipt of the Development Grant is critical to the viability of the project.

"To date, more than £5m has been spent on the project, but over the past year some momentum has been lost. Now that we have the final approval, the Esso Chemicals project team is anxious to get on with the job."

An agreement was being negotiated to give Shell Chemicals UK processing rights for up to 50 per cent of the ethylene-production capacity of the cracker in return for providing half of the £300m cost, said Mr. Dalgetty.

Ethylene is extensively used in Shell's north-west chemical plants. The 175,000 tonnes per annum Higher Olefins plant now under construction at Stanlow, Cheshire, will be a major future consumer.

Weather

UK TODAY

MOST places will have some rain with bright periods.

London, E. Anglia, S.E. England
Some rain, becoming brighter and dry. Max. 23C (73F).

Cent. S., Cent. N. and E. England, Midlands
A little rain at first, dry with sunny intervals later. Max. 23C (73F).

S.W. England, S. Wales, Channel Isles
Some rain and hill or coast fog, becoming brighter and dry. Max. 23C (72F).

Rest of England, N. Wales, Isle of Man, N. Ireland, Scotland
Showers, sunny periods. Max. 20C (68F).

Outlook: Dry at first, rain later.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	26	79	Locarno	S	24	75
Algiers	S	30	86	London	C	23	73
Amsdm.	C	17	63	Luxmbg.	F	19	66
Athens	S	28	82	Luxor	S	39	102
Bahrein	S	37	99	Madrid	S	32	90
Barclna.	S	37	81	Majorca	F	29	84
Belfast	F	21	70	Malaga	S	29	84
Belgrd.	C	20	68	Malta	S	29	84
Berlin	C	19	66	M'chstr	C	21	70
Biarritz	C	23	73	Melbne.	R	12	54
Bmghm.	C	23	73	Milan	S	26	79
Blackpl.	C	21	70	Mntreal.	C	16	61
Bordx.	C	22	72	Moscow	F	23	73
Boulgn.	C	17	63	Munich	C	14	57
Bristol	C	21	70	Nairobi	S	18	64
Brussels	S	21	70	Naples	F	26	79
Budpst.	F	22	72	Nwcstl	C	23	73
Cairo	S	34	93	N. York	R	15	59
Cardiff	C	19	66	Nice	S	26	79
Cas'b'ca	S	31	88	Nicosia	S	29	84
Cape T.	S	17	63	Oporto	S	26	79
Chicago	S	21	70	Oslo	C	16	61
Cologne	R	17	63	Paris	F	22	72
Conhgn.	F	16	61	Perth	S	19	66
Corfu	S	28	82	Prague	F	18	64
Dublin	C	27	72	Reykjvk.	C	12	54
Dbrvnk.	F	25	77	Rhodes	S	27	81
Ednbgh.	R	20	68	Rio J'o	C	27	80
Faro	S	28	82	Rome	S	30	86
Florence	F	29	84	Salzbrg.	R	16	61
Frankt.	C	19	66	Singapr.	C	31	87
Funchal	C	23	73	Stckhm.	F	19	66
Geneva	F	21	70	Strasbg.	C	22	72
Gibrltr.	S	25	77	Sydney	S	18	64
Glasgow	C	19	66	Tangier	S	31	88
G'rnsey	C	18	64	Tel Aviv	S	29	86
Helsinki	C	18	64	Tenerife	S	21	70
H. Kong	C	26	78	Tokyo	S	29	86
Innsbrk.	C	17	63	Toronto	S	20	68
Invrnss.	C	17	63	Tunis	F	30	84
I. o Man	C	15	59	Valencia	S	29	84
Jersey	Fg	17	63	Venice	F	19	66
Jo'burg	S	15	59	Vienna	F	19	66
L. Pims.	S	18	64	Warsaw	S	19	66
Lisbon	S	28	82	Zurich	F	17	63

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

OECD expects deficit in Japan balance of payments soon

BY ROBERT MAUTHNER IN PARIS

JAPAN'S BALANCE of payments is expected to move into substantial deficit over the next 12 months after many years of large surpluses, according to the latest review of the Japanese economy published by the OECD today.

Though the report was prepared before the latest OPEC oil price rises at the end of June, it contains a short addendum adjusting the original forecasts which were based on the assumption that the oil price increases in dollar terms would be no more than 25 per cent in 1979.

According to the earlier predictions, Japan's current surplus was expected to be reduced from \$16.5bn in 1978 to \$500m in 1979, but to increase again to \$2.5bn at an annual rate in the first half of 1980.

As a result of the latest OPEC decision oil import prices in 1979 are now estimated to be some 35 per cent above the 1978 average. The mechanical effects of such a rise will have a negative impact on Japan's current account of some \$3bn to \$4bn over the 12 months up to mid-1980, which means that, by the end of this year, the deficit could be running at an annual rate of nearly \$3bn.

The latest oil price rises are also expected to add about 0.75 per cent to the domestic price level and reduce the growth of real GDP by 0.5 per cent over the same period. This will push up the rate of inflation in Japan to between 6.5 and 7 per cent and reduce the growth to something like 5 per cent at an annual rate by mid-1980.

The re-acceleration of growth initially foreseen in the first half of next year has now become unlikely.

The oil price increases threaten to partly neutralise what the OECD Secretariat describes as a number of remarkable developments in the Japanese economy during 1978 and early 1979, for which Japanese economic policy can take much of the credit.

In contrast to earlier years, the recovery of economic activity was sustained by the growth of domestic demand rather than by exports, and instead of fading out during the year as in 1976 and 1977, it gathered momentum, thanks to the expansionary measures adopted by the Japanese Government last autumn.

The very large current surplus of the first half of 1978 virtually disappeared by the spring of 1979, partly as the result of emergency import restrictions, but mainly because of the growth of domestic demand and the impact of currency appreciation on the volume of exports and imports.

At the same time, price increases slowed down very substantially due largely to an improvement in the terms of trade, resulting from the sharp appreciation of the yen until last autumn and from relatively weak prices for oil and other raw materials during most of 1978.

Continued from Page 1

Take-home pay index

½ per cent, so that the 12 months rate of increase is likely to be boosted from 11.4 per cent in mid-June to between 14½ and 16 per cent.

In the Budget, the Treasury forecast that the 12-month rate would rise to 17½ per cent towards the end of the year. Since then, sterling has risen in value against other currencies, but crude oil prices have also increased sharply.

Last week, the Treasury said that the two factors had probably about cancelled each other out, and that the earlier forecast was still valid.

Further evidence about the development of the UK economy will be provided this week by the publication of several major statistical indicators.

In particular, there will be close interest this afternoon in the retail sales index for July. This will show the level of spending after the pre-VAT rise boom. The industrial production index for June, also published this afternoon, will show whether activity is still recovering from the effects of the winter weather and strikes.

The money supply figures for mid-July, due to be published on Thursday, are expected to show an increase of nearly 1 per cent in sterling M3, which includes cash and bank current and seven-day deposits accounts. This would still be above the official target rate of increase.

The City will be watching the extent to which the expansion of bank lending is now easing after the sharp rise of the early summer. The evidence so far suggests that demand from individuals for loans has subsided considerably, but that the corporate sector is still a heavy borrower.

Marathon to be sold in $340m U.S. deal

By David Lascelles in New York

MARATHON MANUFACTURING, owner of the ailing Clydebank rig-building yard, is to be acquired by an unlikely purchaser, Penn Central Corporation, for \$340m (£151m).

Penn Central consists of the vestiges of the railway company whose financial collapse in 1970 marked the biggest bankruptcy in U.S. history. After massive legal proceedings, some still going on, the company emerged from reorganisation last October stripped of most of its rail assets, but with profitable interests in amusement parks, energy and real estate.

According to a joint announcement, Penn Central is to pay \$48 per Marathon share, and will operate the company as a wholly-owned subsidiary. Marathon's shares have recently been trading at \$42.

Mr. Gene Woodfin, chairman of Marathon, said: "This transaction is the culmination of a five-year plan to strengthen Marathon, and will enable shareholders to realise the inherent value of the company."

Marathon, based in Houston, is a leading producer of mobile offshore jack-up rigs. However, the recent softness of the world oil equipment market has given it some financial problems, notably at Clydebank, where the British Government intervened to keep the yard alive. That yard may now be sold.

Penn Central earned \$36m on revenues of \$460m in the first half of this year. There are no meaningful comparisons with the previous year's figures.

Tougher drink-drive law likely

By Paul Taylor

THE GOVERNMENT is considering new legislation to tighten up drink-driving laws in an attempt to reduce the increasing numbers of drink-related road accidents.

Mr. Norman Fowler, Transport Secretary, is believed to be waiting for the results of tests on new breathalyser devices—whose results would be regarded as conclusive without the need for blood or urine samples—before announcing specific proposals.

However, he is considering a range of measures aimed at curbing drink-driving, including closing loopholes in the 1967 Road Safety Act.

Behind the new moves are two main concerns. First, in spite of the initial success of the Act in reducing the number of drink-related accidents involving motorists who had been drinking, there is evidence that the penalties in the Act no longer appear to be an effective deterrent. Second, motorists have become extremely successful in finding loopholes in the original legislation.

Last year 1,400 motorists killed in road accidents had more than the permitted level of alcohol in their blood.

Insurance, Page 17

L and G in U.S. deal

By Michael Cassell

LEGAL AND GENERAL Assurance (Pensions Management), Europe's largest managed pension fund, has purchased its first overseas properties as part of a £27.6m acquisition programme in the first half of this year.

The company has invested just over £500,000 in the newly-built Fairway Centre office-distribution park in Nashille, Tennessee. In Holland it has purchased a portfolio of seven prime located shops in Kalverstraat, Amsterdam, and Grote Houstraat Haarlem, at a cost of about £7m. All the shops are let to well-known multiple traders on usual Dutch indexed five-year leases.

The U.S. property occupies a 19-acre site and contains over 300,000 square feet of floor space in three single-storey buildings. The developers, Metro Centre Properties, have been leased 140,000 square feet of the property and Aladdin Industries have taken the remainder.

The L & G Property Fund has a market value of £485m in June compared with £416m at the start of 1979.

THE LEX COLUMN

Banking 'corset' fitting service

The other day I overheard a conversation at the Overseas Bankers Club when it was suggested that big customers can be persuaded to switch their overdrafts to commercial bills and this helps banks get round the corset. Can you tell me if this is true? A.T., Lombard Street, E.C.3.

This is a big loophole and all the banks have been taking advantage of it. The technical term for it is disintermediation. If a commercial customer wants some money, instead of offering an overdraft a bank which can then be placed around the market. The authorities reckon that close to £1bn of bank acceptances have gone into the hands of the non-bank sector since the Corset was introduced. The bank is happy because it gets a commission and the customer is happy because he gets the money. Unfortunately, the authorities are not so happy but at least they can see what is happening—last month the clearers acceptances jumped by 40 per cent!

A day off

Personally, I don't think that the corset is worth a row of beans, but I understand that some clever operators organise their loans for every day of the month except make-up day. I would be grateful for your views on this, especially as most of our senior managers are at present away in America. W.A., Poultry, EC2.

This is another wheeze dreamed up by some of the smaller banks. They lend for every day in the month except make-up day, when their customer falls back on its clearing bank overdraft facility. It would seem to be contrary to the Bank of England's rules but they probably have trouble spotting all the offenders. On a slightly different note we hear that some banks have been arranging elaborate sales and repurchases of their gilt books over make-up day. Perhaps this is something worth airing next time you lunch at GEC or ICI?

It seems to be a curious anomaly that banks are assessed for the supplementary special deposit scheme on the basis of individual parents and subsidiaries rather than on a consolidated group basis. It is interesting to speculate on whether certain banks could gain an advantage through intra-group flexibility in the handling and reclassification of liabilities which could allow them to optimise their position. I am interested as to whether you could in any way contribute to this theoretical discussion. J.M., Lombard Street, EC3.

This is something well worth investigating and may give a clue on why the figures for the total banking sector's interest-bearing eligible liabilities over-states the seriousness of the banks' position vis à vis the corset.

All banks have a big incentive to maximise their non-interest-bearing eligible liabilities, and the more banking subsidiaries they have the better. National Westminster, for example, has over a dozen, ranging from Coutts Finance Company to the Isle of Man Bank Ltd. If one subsidiary is comfortably within its corset limits it may be encouraged to raise extra deposits and onlend them on a non-interest-bearing basis to another part of the group. Some small subsidiaries may not even count for the corset.

An Irishman at my golf club has told me that banks in Northern Ireland do not count in the corset calculations. Is there any way of swapping deposits with our Belfast branches over make-up day, and do you think the Bank of England would wear it? R.L.P., Lothbury, EC2.

It is quite true, ever since the corset was first introduced in December, 1973, the banks in Northern Ireland have been exempted from the scheme although no one is quite sure why. As you know, Midland and National Westminster own the Northern Bank and the Ulster Bank respectively. The banks are on their honour not to abuse their privilege, and anyway it would soon start showing in the statistics since the Northern Irish banks account for only two per cent of total eligible liabilities.

Special offers

Some of our big corporate customers tell us they are being approached with strange propositions by certain of the big London banks. It seems they are being offered rebates of some kind if they will switch their deposits temporarily into non-interest bearing form. It occurs to me that this could be something to do with the banking corset. I wonder if you agree, and if so should we make the same kind of offer? M. H. Edinburgh.

Judging by the rapid growth of non-interest bearing deposits since the corset was introduced—they have risen more than twice as fast as IBELs—there must be some reason why depositors are leaving money idle on current account especially given the high interest rates.

Some banks could be offering to reduce their corporate bank charges if a company agrees to leave a bigger amount on current account. Others may have started copying the Americans and be requiring additional non-interest bearing deposits (they call them compensating balances) in return for agreeing overdraft and credit lines.

One idea that has not caught on yet is the promise of free TV sets, or dishwashing machines, in return for deposits. U.S. banks do a lot of this sort of thing. But perhaps this would not fit in with Scottish ideas of thrift.

Unacceptable

Acceptances used to be our stock in trade but now every Tom, Dick and Harry seems to be climbing on the bandwagon. Is it not high time something was done about it? J.B., Leadenhall Street, EC3.

It is surprising that the Bank of England has not publicly cautioned the banks about the rapid growth in bank acceptances so far. When the corset was introduced in November, 1976, the authorities asked the banks and finance houses to ensure that, in providing acceptance credit facilities, they observe the same degree of restraint as would apply to lending for the finance of the underlying transaction.

It was not mentioned when the scheme was re-activated last summer. What may be stopping them from taking action is the fear that if they did they might drive this sort of lending underground and in turn foster the birth of an inter-company market on much the same lines as the inter-bank market.

Such a market flourished in the late 1960s and early 1970s and greatly embarrassed the authorities since it was completely out of their control. Its growth was only stemmed when the banks were asked to stop guaranteeing this inter-company sort of transaction.

I suspect that a very few banks may be indulging in some monkey business over the SSD scheme. Can you think of any ways in which life could be made more awkward for them? G. R., Threadneedle Street, EC2.

We hoped you would ask us that one. How about issuing a tap stock on make-up days, such as on August 15?

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.